

The U.S. Navy's

MILITARY • SEALIFT • COMMAND

2008

In Review



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Cover:

MSC dry cargo/ammunition ship
USNS Carl Brashear is launched into
San Diego harbor during its christening
ceremony at the National Steel and
Shipbuilding Company shipyard. The ship was
named in honor of Master Chief Boatswain's
Mate Carl Brashear, the first African American
to qualify and serve as a master diver on active
duty. The hull of T-AKE 8, which will become
USNS Wally Schirra, sits in the next cradle.
Photo by MC3 David Brandenburg.

Back cover photo:

MSC ammunition ships USNS Shasta,
USNS Flint and USNS Kiska transfer
munitions in the Pacific Ocean.



Rear Admiral Robert D. Reilly Jr., USN
Commander, Military Sealift Command

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by Rear Adm. Robert D. Reilly Jr., USN

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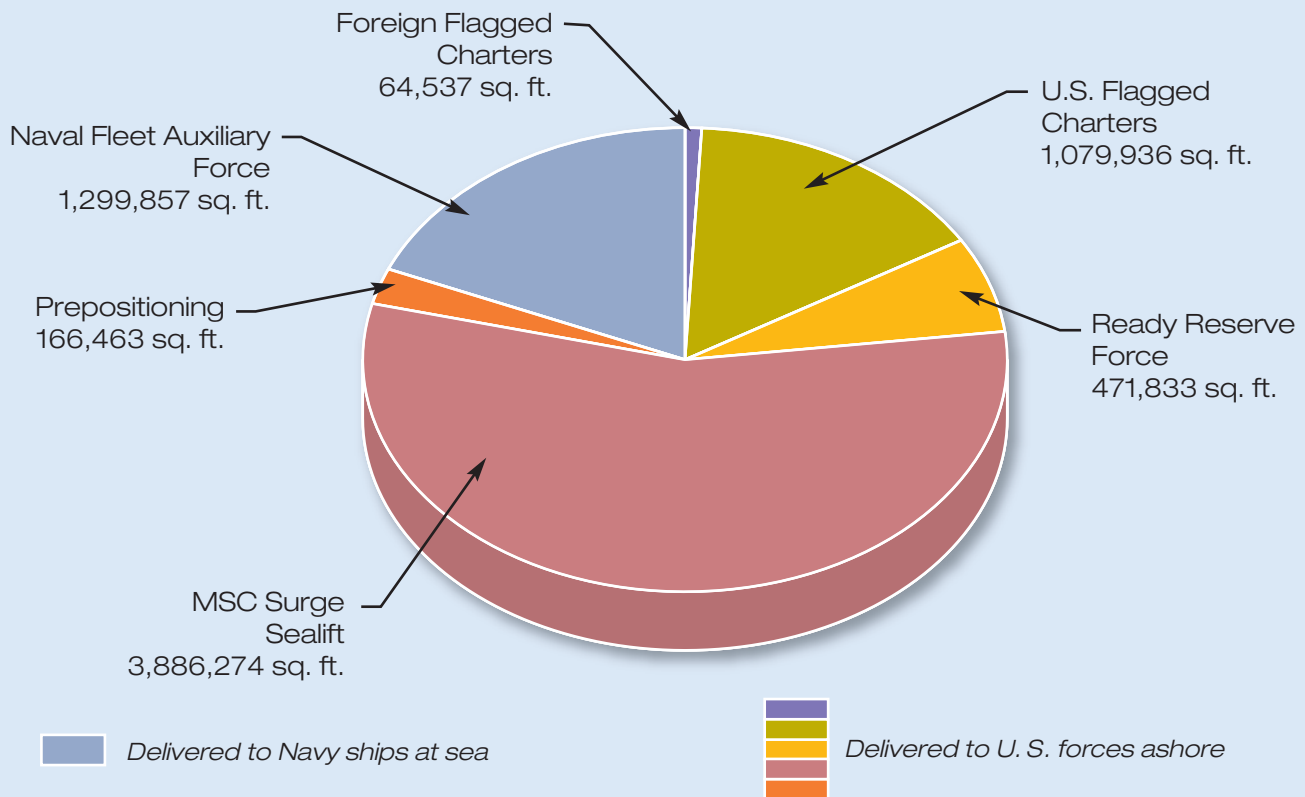
Sealift 31

Appendix A1 thru A14

A Navy sailor coordinates lighterage operations with MSC Maritime Prepositioning Ship USNS 2ND LT John P. Bobo, which is poised for at-sea loading near Monrovia, Liberia. Photo by MC2 Elizabeth Merriam.

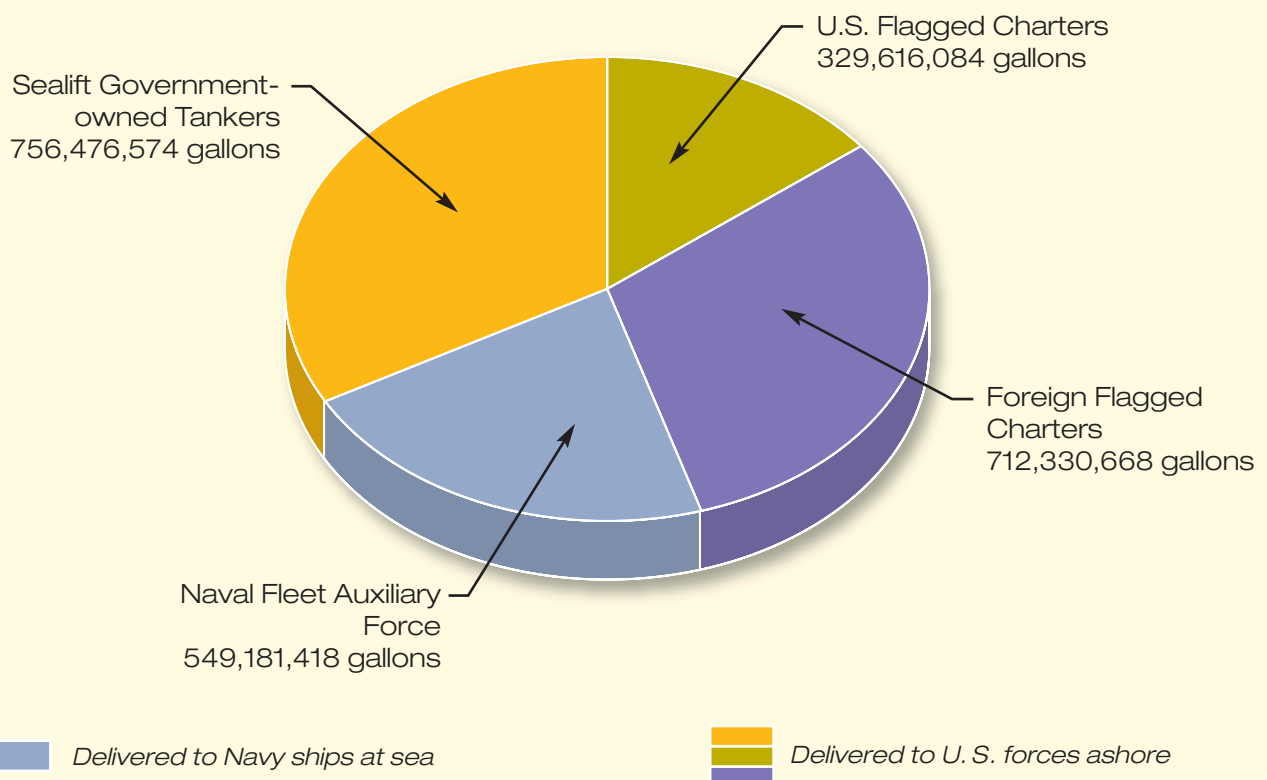
DRY CARGO DELIVERED IN FY 2008

7 Million Sq. Ft.



FUEL DELIVERED IN FY 2008

2.3 Billion Gallons



COMMANDER'S PERSPECTIVE

FY 2008 was another banner year for Military Sealift Command. The demanding operational tempo that we've seen since the beginning of the global war on terrorism continued as MSC operated more than 110 ships every day around the globe, delivering combat equipment, supplies and fuel to deployed U.S. and coalition war fighters. During the year, MSC ships delivered more than 7 million square feet of dry cargo and 2.3 billion gallons of fuel and other petroleum products, as you can see in the charts on the opposite page. Since the global war on terrorism began in 2001, MSC has delivered enough combat cargo to fill a supply train that would stretch from New York City to Las Vegas and enough fuel to fill a man-made circular lake a mile across and almost 97 feet deep.

At the same time, we worked closely with our diverse customer base to deliver innovative solutions to the challenges they faced. MSC provided direct support to Navy combatants through at-sea replenishment, ocean surveillance and gathering oceanographic survey data. We also supported U.S. and coalition armed services through the prepositioning of combat equipment at sea, ready to quickly deploy to any location. Throughout the year, MSC provided outstanding, cost-effective service and played a pivotal role in the nation's defense.

In addition to our outstanding operational work, I'm pleased with our fiscal performance. Given unprecedented fuel prices and overseas port charge increases this fiscal year, MSC recognized these challenges and worked throughout the year to mitigate these increases during our normal business execution. Despite such churn, we still came within 4/10 of 1 percent of our targeted budget. In the future, we will continue to work to adjust our costs in an effort to ensure that MSC breaks even as a not-for-profit enterprise while still delivering value to our customers.

We completed our five-year, global transformation effort, resulting in a more effective and efficient organization aligned under U.S. Fleet Forces Command, U.S. Transportation Command and the Assistant Secretary of the Navy for Research, Development and Acquisition. In the years ahead, our worldwide organization will provide continuously improving service to the Navy fleet and the entire Department of Defense.

As always, a key element of our mission is our workforce of more than 9,000 dedicated people at sea and ashore around the world. Their expertise and capabilities continue to be the backbone of our operations. Our civil service mariners, or CIVMARs, are the mainstay of our government-owned/government-operated ships. This year we once again hired more than 700 new CIVMARs, bringing the workforce to more than 5,000. With the transfer of submarine tender USS Emory S. Land to MSC in February, we've added more CIVMAR billets. We'll continue to hire more CIVMARs as MSC begins operation of USS Frank Cable, the Navy's other submarine tender, next year. These ships will have hybrid crews with CIVMARs performing deck, navigation, engineering, laundry and galley services and Navy sailors performing mission duties. We'll also accept more CIVMAR-crewed Lewis and Clark-class dry cargo/ammunition ships into the MSC fleet. USNS Amelia Earhart, USNS Carl Brashear and USNS Wally Schirra are all scheduled to be delivered to MSC in FY 2009. We've already accepted delivery of five of these multi-product fleet logistics ships and will have a total of up to 14 by 2012.

In keeping with the Navy's Maritime Strategy for the 21st Century and its new emphasis on humanitarian assistance, hospital ship USNS Mercy deployed to the Republic of the Philippines, Vietnam, the Federated States of Micronesia, Timor Leste and Papua New Guinea for four months. The humanitarian, civic assistance and theater security cooperation missions provided an opportunity for medical personnel from all U.S. uniformed services and several nongovernmental medical organizations to treat more than 90,000 patients throughout the Western Pacific.

We'll meet and conquer the challenges of the 21st century because of our people and their dedication to the mission. We're a proud part of the nation's defense team. MSC will deliver!



A black and white image of a handwritten signature, which appears to be "R. D. Reilly Jr.", written in a cursive style.

Rear Admiral Robert D. Reilly Jr., USN
Commander, Military Sealift Command



The U.S. Navy's
MILITARY SEALIFT COMMAND
Mission-focused, value-driven

Mission: Support our nation by delivering supplies and conducting specialized missions across the world's oceans

Vision: To be the leader in innovative and cost-effective maritime solutions

Strategic Priorities:

- Assist in winning the Global War on Terrorism
- Help customers efficiently meet their objectives
- Develop and care for our workforce
- Use smart business practices to provide quality services at the best value
- Ensure that MSC has the right ships and people to conduct future missions

We Value:

- Our ultimate customers: Soldiers, Sailors, Airmen and Marines
- Our people
- Innovation, responsiveness and efficiency
- Openness and measurement-based decision making
- A challenging and professional work environment

RADIM Robert Reilly Jr.
Commander

RDML Robert Wray Jr.
Deputy Commander

Mr. Richard Haynes
Executive Director

CMDCM Kenneth Green
Command Master Chief

Mr. Jack Taylor
Director, MSFSC

Mr. Christopher Thayer
Strategic Sealift and
Prepositioning Director

Mr. Jim George
Naval Fleet Auxiliary Force
Program Manager

Mr. Russell Bishop
Special Mission
Program Manager

Mr. Keith Bauer
Prepositioning Program
Technical Director

Mr. John Henry
Sealift Program
Technical Director

CAPT George Galyo
SEALOGLANT
Commodore

CAPT David Kiehl
SEALOGPAC
Commodore

CAPT Jim Romano
SEALOGFE
Commodore

CAPT Stephen Kelley
SEALOGCENT
Commodore

CAPT Nicholas Holman
SEALOGEUR
Commodore

MSC Delivers

ORGANIZATION



ilitary Sealift Command is the leading provider of ocean transportation for the Navy and the rest of the Department of Defense – operating approximately 110 ships daily around the globe. In FY 2008, MSC reported through three distinct and separate chains of command:

- To U.S. Fleet Forces Command for Navy-unique matters,
- To U.S. Transportation Command for defense transportation matters, and
- To the Assistant Secretary of the Navy for Research, Development and Acquisition for procurement policy and oversight matters.

Military Sealift Fleet Support Command

Military Sealift Fleet Support Command, located in Norfolk, Va., crews, trains, equips and maintains MSC government-owned/government-operated ships worldwide and supports other MSC assets as directed. MSFSC's primary functions are:

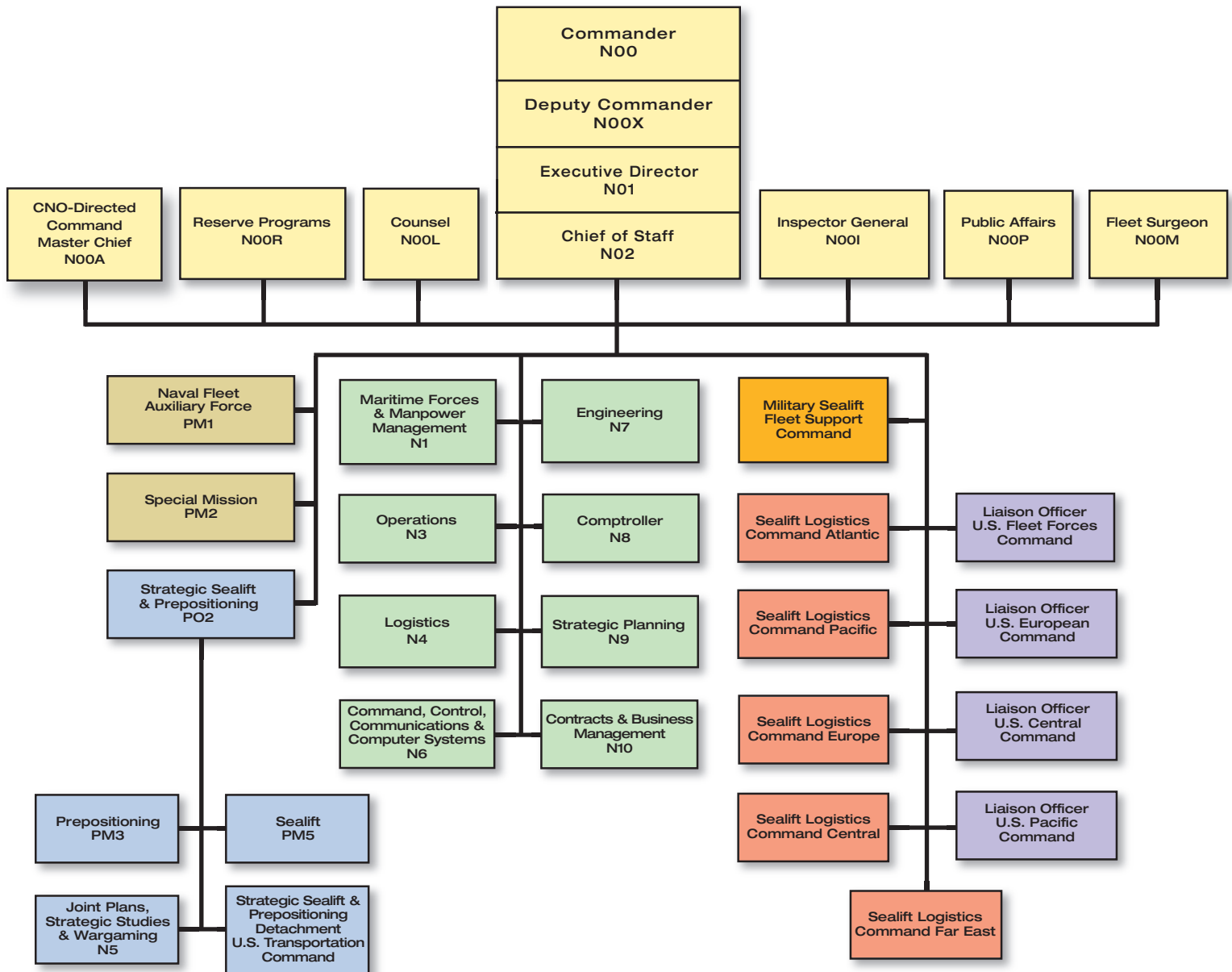
- To manage the repair and maintenance of MSC's government-owned/government-operated ships and their installed shipboard communication systems,
- To conduct personnel administration for both assigned active duty military and civil service mariners, or CIVMARs, who operate MSC's government-owned/government-operated ships, and
- To provide engineering management, comptroller and contracting functions related to MSC's government-owned/government-operated ships and crews.

Ship maintenance and support functions are integrated into six ship support units that operate under MSFSC in the following locations:

- Naples, Italy
- Manama, Bahrain
- Singapore
- Yokohama, Japan
- San Diego
- Guam

ORGANIZATION

Military Sealift Command



ORGANIZATION

Sealift Logistics Commands

Sealift logistics commands are streamlined organizations that provide MSC-unique expertise and operational perspective to Navy fleet commanders worldwide. The sealift logistics commands are operationally focused and are aligned with the numbered fleet logistics staffs in their respective theaters.

- Sealift Logistics Command Atlantic – Norfolk, Va.
- Sealift Logistics Command Pacific – San Diego
- Sealift Logistics Command Europe – Naples, Italy
- Sealift Logistics Command Central – Manama, Bahrain
- Sealift Logistics Command Far East – Singapore

Sealift logistics commands also have offices and representatives in Diego Garcia; Kuwait; Okinawa; Korea; Spain; Greece; Pearl Harbor, Hawaii; Seattle; San Francisco; Earle, N.J.; Sunny Point, N.C.; Charleston, S.C.; Beaumont, Texas; Port Canaveral, Fla.; and Jacksonville, Fla.

Programs

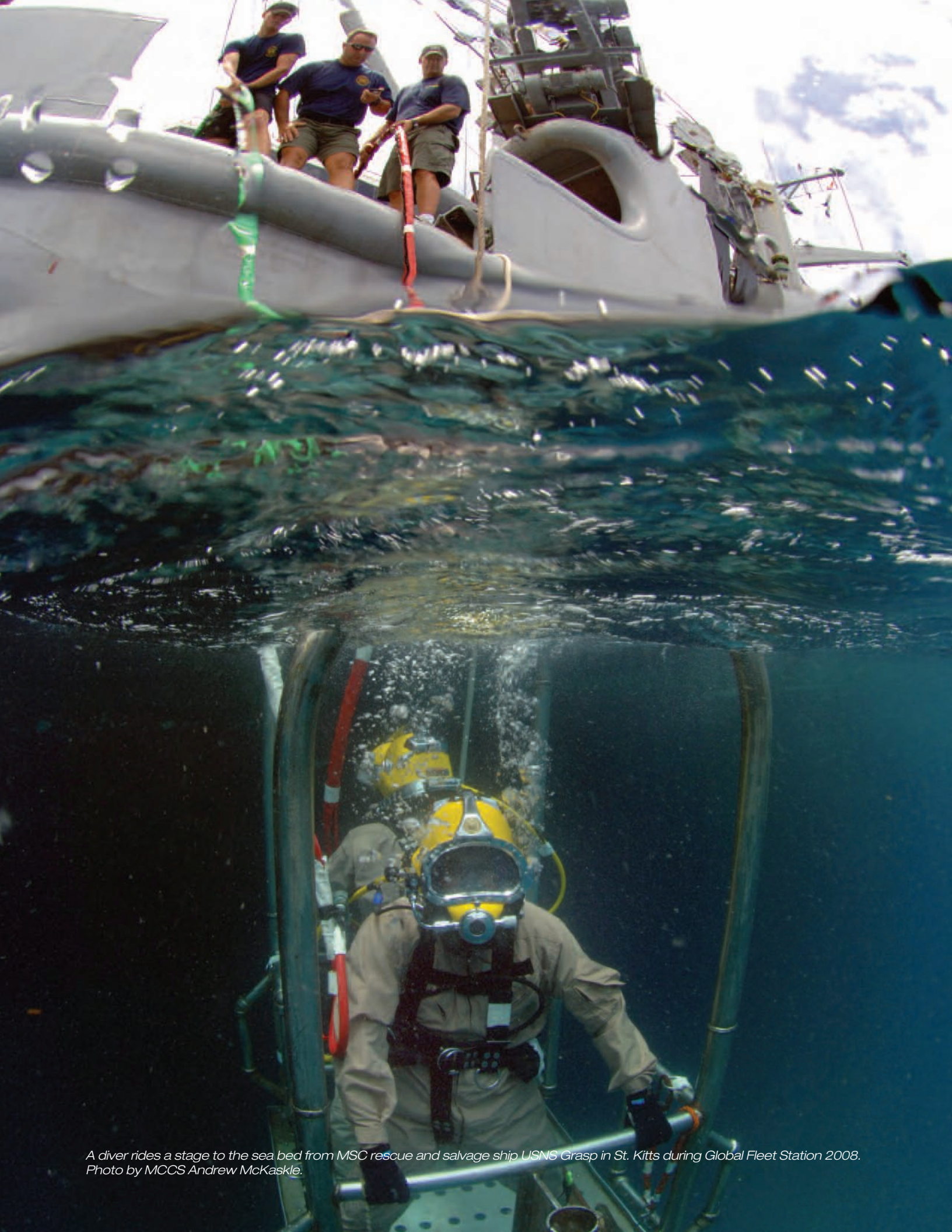
MSC has four ship management programs:

- Naval Fleet Auxiliary Force
- Special Mission
- Prepositioning
- Sealift

Directorates

Functional directorates provide specialized support services to the ship management programs and the MSC commander:

- Maritime Forces and Manpower Management (N1)
- Operations (N3)
- Logistics (N4)
- Joint Plans, Strategic Studies and Wargaming (N5)
- Command, Control, Communications and Computer Systems (N6)
- Engineering (N7)
- Comptroller (N8)
- Strategic Planning (N9)
- Contracts and Business Management (N10)



*A diver rides a stage to the sea bed from MSC rescue and salvage ship USNS Grasp in St. Kitts during Global Fleet Station 2008.
Photo by MCCA Andrew McKaskle.*

SUBORDINATE COMMANDS

M

Military Sealift Fleet Support Command

MSFSC, headquartered in Norfolk, Va., crews, trains, equips and maintains the government-owned/government-operated ships of MSC's fleet. Six MSFSC ship support units provide a regional presence and are located in Italy, Bahrain, Singapore, Japan, San Diego and Guam.

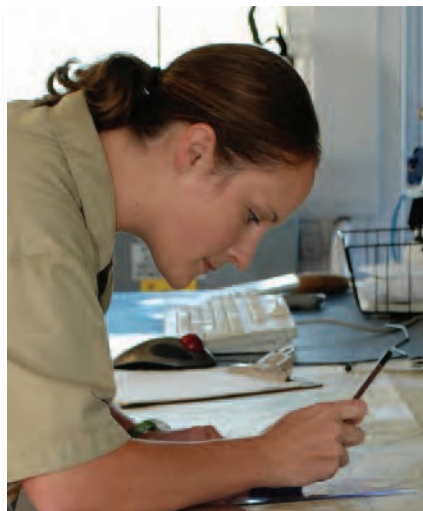
MSFSC handles all personnel functions for the more than 5,000 assigned CIVMARs.

During FY 2008, CIVMARs, port engineers, information technology specialists and contracting personnel worked to bring four of the U.S. Navy's new Lewis and Clark-class dry cargo/ammunition ships closer to operational status. The four ships were USNS Alan Shepard, USNS Richard E. Byrd, USNS Robert E. Peary and USNS Amelia Earhart.

CIVMARs aboard ammunition ships USNS Shasta, USNS Flint and USNS Kiska planned and executed the underway transfer of more than 3,200 pallets, containers and pieces of ammunition between the three ships in three days for training purposes. CIVMARs have refined and improved such transfers since the first CIVMAR-crewed am-

munition ship, USNS Kilauea, started providing forward-deployed ordnance logistics in 1985.

During NATO exercise Bold Monarch 2008, CIVMARs aboard fleet ocean tug USNS Apache helped introduce the Submarine Rescue System-Rescue Capable System, a state-of-the-art, next-generation submarine rescue system, to the international submarine rescue community. For more details on this and other exercises mentioned in this report, please refer to the exercise table in the Appendix.



Top: Fleet ocean tug USNS Sioux 3rd Mate Michelle Thompson plots a course for the ship during a November 2007 mission near San Diego. Photo by Sarah E. Burford.



Above: MSC dry cargo/ammunition ship USNS Richard E. Byrd passes under the San Diego-Coronado Bridge for sea trials. Photo by NASSCO/General Dynamics.

Throughout FY 2008, MSFSC recruited, hired and provided training for 724 new CIVMARs. As the fiscal year drew to a close, MSFSC's total CIVMAR workforce comprised nearly 5,300 mariners. In the year to come, MSFSC expects to hire 300 to 400 additional CIVMARs to meet manpower requirements.

Contracting personnel at MSFSC executed nearly 2,100 contract actions totaling \$170 million in FY 2008 to maintain MSC's government-owned/government-operated ships. Some of the larger contracts were for the post-shipyard availabilities of dry cargo/ammunition ship USNS Lewis and Clark and for the regular overhaul and dry docking of fleet replenishment oiler USNS John Ericsson.

FY 2008 was a pivotal year for consolidating MSFSC's headquarters staff in Norfolk, Va. Renovation work was completed at three office buildings located within the Breezy Point area of

SUBORDINATE COMMANDS

Naval Station Norfolk. The first of MSFSC's headquarters personnel moved to the new facilities from other office locations at the naval station and the Commonwealth of Virginia's National Guard Camp Pendleton compound, in Virginia Beach, Va. The consolidation of MSFSC's staff completes MSC's global transformation process that began more than five years ago.

Sealift Logistics Command Atlantic — Norfolk, Va.

Sealift Logistics Command Atlantic, or SEALOGLANT, maintains operational control over MSC ships that transport equipment, fuel, supplies and ammunition in the Western Atlantic Ocean and Gulf of Mexico to sustain U.S. forces. SEALOGLANT also provides logistics support to the U.S. Navy's 2nd Fleet and U.S. Naval Forces Southern Command, the naval component command of U.S. Southern Command. Every day, SEALOGLANT maintains oversight of approximately 30 vessels within its area of responsibility.

SEALOGLANT continued to play a crucial role in Operation Iraqi Freedom and the global war on terrorism during FY 2008, providing oversight for loading and discharging 2.8 million square feet of military equipment and cargo and 155.4 million gallons of fuel and other petroleum products.

In January, the SEALOGLANT team in Charleston, S.C., loaded the first and largest numbers of mine-resistant, ambush-protected, or MRAP, vehicles on MSC ships destined for use in Iraq. During the year, 1,376 MRAPs were loaded on MSC-controlled vessels in Charleston, the only continental U.S. port that handles them.

SEALOGLANT marine transportation specialists from both its headquarters in Norfolk, Va., and its representative offices in Earle, N.J.; Sunny Point, N.C.; Charleston, S.C.; Beaumont, Texas; and Port Canaveral and Jacksonville, Fla., provided operational, administrative, material and logistics support for MSC ships and coordinated associated cargo operations.

In support of other missions and exercises not related to Operation Iraqi Freedom,

SEALOGLANT oversaw the movement of 317,000 square feet of cargo, including four deployments and redeployments of equipment and supplies for Exercise New Horizons in Honduras, Peru, Ecuador and El Salvador.

In FY 2008, MSC ammunition ships, dry cargo/ammunition ships, combat stores ships, fast combat support ships, rescue and salvage ships, fleet ocean tugs and fleet replenishment oilers under SEALOGLANT's operational control supported U.S. Navy combatants throughout the Western Atlantic Ocean and Gulf of Mexico. Additionally, SEALOGLANT was the point of origin for MSC ships loaded with fuel and supplies destined to support Navy combatant ships in the Mediterranean, in and around Africa, in the Persian Gulf and elsewhere. MSC ships sailed more than a million miles in this effort.

Service members offload a self-contained mobile hospital from MSC-chartered dry cargo ship MV American Tern in Virginia. Photo by Lt. Penny Cockerell.



SUBORDINATE COMMANDS



MSC rescue and salvage ship USNS Grapple escorts decommissioned nuclear submarine USS Hyman G. Rickover through the Panama Canal after towing the vessel 3,600 miles from Kittery, Maine. Photo courtesy of USNS Grapple.

MSC ships under SEALOGLANT operational control participated in a number of exercises throughout the year, including joint task force exercises such as Neptune Warrior off the coast of Scotland and New Horizons in the U.S. Southern Command area of responsibility.

In April, USNS Grapple, a rescue and salvage ship, towed decommissioned nuclear submarine USS Hyman G. Rickover from Portsmouth Naval Shipyard in Kittery, Maine, through the Panama Canal. There, Grapple handed off the tow to MSC's fleet ocean tug USNS Sioux.

MSC rescue and salvage ship USNS Grasp completed recovery operations of two U.S. Air Force F-15C fighter jets in 185-foot depths in the Gulf of Mexico March 22. The jets crashed in mid-air over the Gulf approximately 50 miles from Eglin Air Force Base, Fla., Feb. 20.

Grasp also supported Mobile Diving and Salvage Unit Two, Underwater Construction Teams One and Two, Expeditionary Support Unit divers and Expeditionary Combat Camera divers participating in Exercise Navy Diver Global Fleet Station 2008 in the Caribbean, in which the divers conducted port security and rescue exercises with eight Caribbean partner nations from June to September.

In July, MV American Tern, an MSC-chartered dry cargo ship, and MSC tankers USNS Paul Buck and USNS Richard G. Matthiesen carried 50,000 square feet of food, supplies and equipment and 15.5 million gallons of fuel to Thule Air Base, Greenland, for the annual Operation Pacer Goose resupply mission.

Aug. 22 marked the arrival of USNS Robert E. Peary, the third of MSC's new 689-foot dry cargo/ammunition ships to come to SEALOGLANT. Peary, with a crew of 124 civil service mariners and 11 active-duty sailors, was christened Feb. 9, 2008. The ship was named for Rear Adm. Robert E. Peary, who led the first expedition to the North Pole. The ship is designed to deliver ammunition, provisions, stores, spare parts, potable water and petroleum products to U.S. and coalition forces operating at sea.

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MSC fleet replenishment oiler USNS Guadalupe refuels amphibious assault ship USS Bonhomme Richard during Rim of the Pacific 2008, the world's largest multinational exercise. Photo by MC1 Mark Rankin.

Sealift Logistics Command Pacific — San Diego

Sealift Logistics Command Pacific, or SEALOGPAC, exercises operational control over MSC ships operating in the U.S. Navy's 3rd Fleet area of responsibility in the Eastern Pacific Ocean. SEALOGPAC's combat logistics force ships delivered food, fuel, supplies and ammunition to U.S. Navy combatants, allowing them to remain at sea for extended periods. Other ships under SEALOGPAC's control transported vital military cargo to forces ashore overseas and supported other DOD missions.

One of SEALOGPAC's most critical sealift missions was Operation Deep Freeze, the annual resupply of the National Science Foundation's research station in Antarctica. MSC has supported this mission since 1955. In November 2007, MSC-chartered dry cargo ship MV American Tern loaded bulk and containerized cargo at Port Hueneme, Calif., and sailed to McMurdo Sound, Antarctica, to discharge more than 29,000 tons of equipment, food and scientific instruments. The ship returned with ice core samples that provided scientists studying global climate change with information about the composition of the atmosphere over the past several thousand years. The ship also brought back all refuse and waste products produced by the research station over the winter. In addition, ice-hardened MSC tanker USNS Lawrence H. Gianella unloaded 6 million gallons of fuel for vehicles aircraft and generators.

In February 2008, with 72-hours notice, fleet replenishment oiler USNS Guadalupe provisioned, loaded cargo and fuel, and sailed to the mid-Pacific Ocean from San Diego to support the U.S. Navy's efforts to shoot down and recover debris from a falling satellite. Missile range instrumentation ship USNS Observation Island provided telemetry information on the inbound satellite before the missile strike and the debris afterward.

SEALOGPAC ships played a major support role to the 2008 Rim of the Pacific exercise in Pearl Harbor, Hawaii, and the surrounding waters. Fleet replenishment oilers USNS Yukon and USNS Guadalupe provided logistics services and acted as high-value units for exercise scenario play. Fleet ocean tugs USNS Sioux and USNS Navajo and rescue and salvage ship USNS Salvor performed various towing missions for the exercise. Ocean surveillance ship USNS Able provided exercise support for submarine forces. In addition, 65 SEALOGPAC Navy Reserve cargo afloat rig team members participated in the exercise.

SUBORDINATE COMMANDS

FY 2008 was the year of one of the largest joint-logistics-over-the-shore, or JLOTS, exercises in history. Large, medium-speed, roll-on/roll-off ship, or LMSR, USNS Piliilau delivered 175,442 square feet of Army equipment for the 3rd Brigade of the 25th Infantry Division and the 45th Sustainment Division. Under SEALOGPAC control, Maritime Administration Ready Reserve Force, or RRF, heavy lift ship SS Cape Mohican loaded lighterage and equipment in San Diego for discharge at Marine Corps Base Camp Pendleton. RRF crane ship SS Flickertail State off-loaded more than 350 pieces of equipment used by Navy Seabees to construct an elevated causeway at Camp Pendleton. RRF offshore petroleum discharge system tanker SS Chesapeake served as a refueling station for 39 small watercraft that supported the exercise.

Hospital ship USNS Mercy was activated for a humanitarian assistance deployment to Southeast Asia, departing San Diego at the beginning of May. Mercy returned to San Diego in late September.

For the seventh consecutive year, fleet replenishment oiler USNS Henry J. Kaiser served as the at-sea training ship for 11 maritime apprentice students. MSC partnered with the State of California Regional Occupational Program, Mar Vista High School and a U.S. Coast Guard-approved training contractor to provide a path for high school students to earn their Coast Guard documents and embark an MSC ship during the summer. The students gained valuable hands-on experience in ship operations and watch standing. Apprentices who successfully completed the challenging training regimen competed for employment with MSC and U.S. maritime companies.

MSC large, medium-speed, roll-on/roll-off ship USNS Piliilau's sideport ramp opens onto a floating platform of Army barges two miles off the coast of Camp Pendleton, Calif., as part of a joint-logistics-over-the-shore exercise. Photo by Laura Seal.

Sealift Logistics Command Europe — Naples, Italy

Sealift Logistics Command Europe, or SEALOGEUR, is the single at-sea logistics and strategic sealift provider for U.S. forces in the waters around Europe and Africa, an area of operations that covers more than 20 million square nautical miles of ocean, touches three continents and encompasses 67 percent of the earth's coastline, 30 percent of its landmass and 23 percent of the world's population. SEALOGEUR is located with Commander, Naval Forces Europe and Commander, U.S. 6th Fleet.

SEALOGEUR oversees the movement of fuel, food, spare parts, ammunition and combat

equipment throughout the U.S. European Command and U.S. African Command areas of operation. In addition to SEALOGEUR duties, the commander of SEALOGEUR is also commander of Task Force 63, which encompasses all U.S. 6th Fleet air and sea logistics assets, and commander of 6th Fleet's Southeast Africa Task Force, which is responsible for U.S. Navy combatants operating in Southeast Africa. On an average day, more than 14 ships and eight aircraft report to the SEALOGEUR commander.



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Above: MSC fleet ocean tug USNS Apache is fitted with submarine rescue equipment in Stavanger, Norway, before participating in Exercise Bold Monarch 2008.

Below: Tunisian sailors stage a mock assault on MSC fleet replenishment oiler USNS Patuxent in the Mediterranean Sea during a visit, board, search and seizure operation training exercise. Photo by MC3 David Quillen.



In FY 2008, SEALOGEUR handled 114 ships in its area of responsibility that made 346 port calls in 72 different locations. Command personnel coordinated 93 transits through the Strait of Gibraltar and supported six MSC ships participating in U.S. and NATO military exercises.

Maritime Prepositioning Ship, or MPS, Squadron One, which normally operates in the Mediterranean Sea and the Eastern Atlantic Ocean, made history in FY 2008. First, squadron ships USNS LCPL Roy M. Wheat and USNS 2ND LT John P. Bobo participated in the multinational military exercise Noble

Midas off the coast of Croatia. During the exercise, Bobo used the Improved Navy Lighterage System, or INLS, to unload cargo at sea for the first time in theater. The squadron expanded upon this effort in March 2008 with their participation in the West Africa Training Cruise in the Gulf of Guinea. Bobo and Wheat joined USS Fort McHenry, HSV 2 Swift and sailors and Marines from Naval Beach Group Two and U.S. Marine Forces Europe for a sea-basing and humanitarian assistance exercise off the coast of Monrovia, Liberia. During this exercise, the INLS was assembled at sea. Bobo connected its stern ramp to the INLS discharge platform five miles away from shore – the greatest distance out in the open ocean this connection has successfully been accomplished. Cargo from Bobo, Wheat and Fort McHenry was transferred to Swift via the INLS and then delivered ashore for use in construction and renovation projects in Liberian schools and medical clinics, just one example of the increased presence of SEALOGEUR assets in Africa over the past year.

In addition, MSC fleet replenishment oilers USNS Patuxent, USNS Laramie and USNS Leroy Grumman resupplied U.S. Navy combatants operating in the Gulf of Guinea, while MSC-chartered ships MV Advantage, SS Cleveland and MV Ascension delivered equipment and supplies to West Africa on behalf of U.S. Navy mobile construction battalions conducting humanitarian assistance projects. Patuxent also participated in Phoenix Express 2008, a visit, board, search and seizure exercise.

Meanwhile, MSC-chartered ships ITB Lightning/Thunder, MV Global Patriot and MV Global Producer loaded combat cargo in Durban, South Africa, for delivery to U.S. troops in the Middle East.

Fleet ocean tug USNS Apache represented the United States during the largest multinational submarine exercise in the world, Exercise Bold Monarch, off the coast of Norway.

USS Mount Whitney, 6th Fleet's command ship, and MSC fleet replenishment oilers USNS Kanawha, USNS John Lenthall and USNS Big Horn played integral roles in the U.S. response to military conflicts in Lebanon and the small, former Soviet-bloc nation of Georgia.

SUBORDINATE COMMANDS



Survivors stand by for medical treatment on the flight deck of aircraft carrier USS Harry S. Truman after being rescued at sea by two Navy helicopters from MSC fast combat support ship USNS Arctic in the Persian Gulf. Photo by MC3 Joshua Moore.

Sealift Logistics Command Central — Manama, Bahrain

Sealift Logistics Command Central, or SEALOGCENT, represents MSC in the U.S. Central Command area of responsibility. This includes the Persian Gulf, Arabian Sea, Gulf of Oman, Gulf of Aden and the Red Sea. SEALOGCENT provides reliable and efficient sealift, combat logistics forces, special mission ships and maritime services to meet U.S. Central Command requirements.

SEALOGCENT's commander is also commander of Task Force 53, with tactical command of all U.S. 5th Fleet air and sea logistics assets.

During FY 2008, combat logistics force ships under SEALOGCENT's control conducted 602 underway replenishments at sea involving the delivery of more than 125 million gallons of fuel. SEALOGCENT also coordinated the delivery of 7.5 million square feet of combat equipment, including MRAPs, helicopters, tanks, trucks, ammunition and other supplies — and more than 895 million gallons of fuels to U.S. combatant forces on the ground in the Middle East for Operation Enduring Freedom and Operation Iraqi Freedom. The majority of these cargo operations were supported by six ports in five countries throughout the region.

In all, CTF-53 aircraft coordinated and moved more than 12,000 tons of cargo, 4,000 tons of mail and 34,000 passengers on more than 5,000 missions, providing critical support to U.S. war fighters.

In July, SEALOGCENT played a crucial role in coordinating delivery of a causeway section to the Khawr al Amaya oil platform in the Northern Persian Gulf. MPS SS SGT Matej Kocak proceeded to an anchorage position south of the oil platform and delivered the causeway to an MSC contract vessel, Omeed Taher, for final delivery and use as a floating dock.

In the same month, SEALOGCENT supported MPS Squadron One when SS PFC Eugene A. Obregon was designated as a primary participant in Exercise Native Fury. Obregon was the second MPS to operate in 5th Fleet waters after a three-year gap in operations.

July also marked a change in leadership as Navy Capt. Stephen H. Kelley relieved Navy Capt. Anthony H. Dropp in a change of command ceremony on July 17 in Bahrain.

SEALOGCENT coordinated force protection aboard MSC vessels in FY 2008 to defend against waterborne and land-based terrorist attacks in the U.S. Central Command operating area. In all, nearly 120 embarked security teams were deployed aboard ships supporting Operation Iraqi Freedom and Operation Enduring Freedom in the SEALOGCENT area of responsibility. These teams were essential in providing security for strait transits, port visits and normal operations within the 5th Fleet area of responsibility, integrating with the crews and providing flexible and responsive force protection to MSC vessels.

SUBORDINATE COMMANDS



Above: MSC Office Kuwait conducts a first-of-its-kind fire drill on board MSC large, medium-speed, roll-on/roll-off ship USNS Brittin with the Kuwait Port Authority, Kuwait Industrial Fire Brigade and U.S. disaster-response teams.

Below: MSC oceanographic survey ship USNS Bruce C. Heezen is brought pier-side through the murky waters of Da Nang, Vietnam. Heezen made the first visit by an MSC ship since the Vietnam War.



Sealift Logistics Command Far East — Singapore

Sealift Logistics Command Far East, or SEALOGFE, safely and efficiently operates MSC-controlled ships in support of U.S. Pacific Command and U.S. 7th Fleet. SEALOGFE is colocated with Commander, Logistics Group Western Pacific/Task Force 73 at Sembawang Wharves in Singapore and reports to MSC headquarters in Washington, D.C.

During FY 2008, SEALOGFE managed a daily average of 48 ships representing all of MSC's missions in the vast 7th Fleet area of responsibility — supporting all branches of the U.S. military and participating in major theater exercises and humanitarian missions.

Oceanographic survey ship USNS Bruce C. Heezen became the first MSC ship to visit the Socialist Republic of Vietnam since the Vietnam War ended more than 30 years ago. The October 2007 port call to Da Nang familiarized Vietnam's weather and hydrographic agencies with the U.S. Navy's hydrographic and oceanographic program and survey vessels.

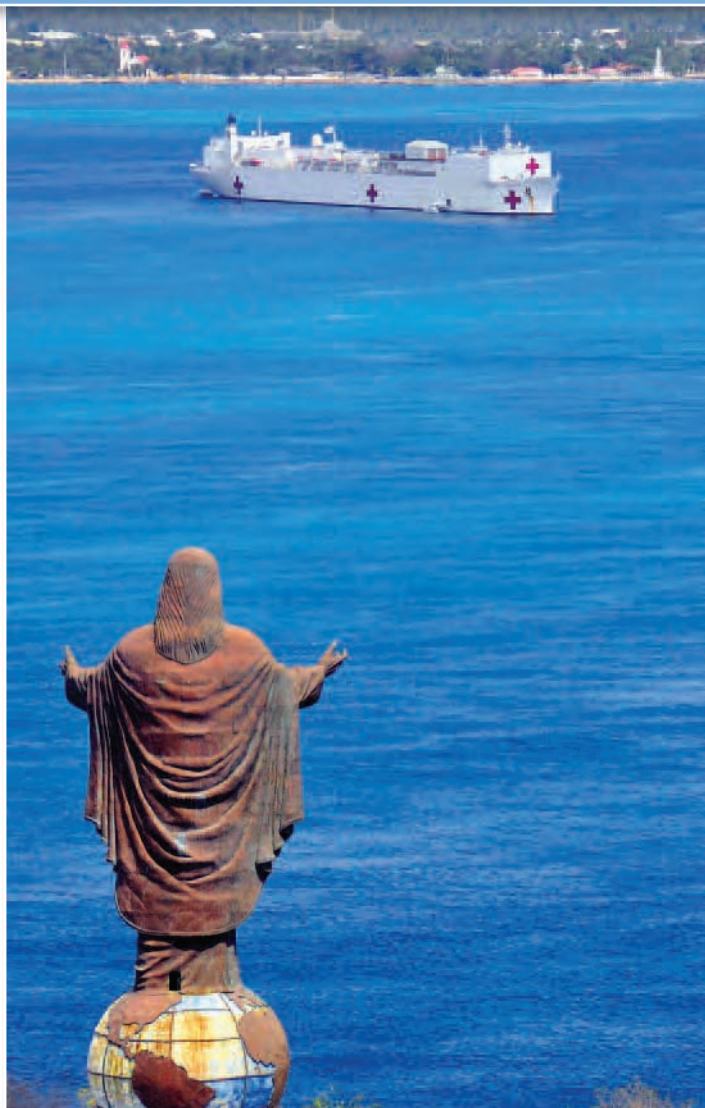
Combat stores ship USNS Concord and fleet replenishment oilers USNS Walter S. Diehl and USNS John Ericsson sailed to the Gulf of Bengal in early December 2007 to provide logistics support to amphibious assault ships USS Kearsarge and USS Tarawa — deployed to assist in relief efforts after Tropical Cyclone Sidr ripped through the area. All three MSC ships delivered bottled water, water bladders and medical supplies.

Offshore petroleum distribution system ship MV VADM K.R. Wheeler demonstrated its ability to pump fuel to forces ashore where port facilities are inadequate or non-existent during Exercise Key Resolve 2008 in the Republic of Korea in February. Meanwhile, more than 40 Navy Reservists assigned to MSC, along with active-duty and civilian counterparts from MSC Office Korea, trained in procedures to manage a massive influx of cargo ships should a conflict break out on the Korean peninsula.

MPS USNS 1ST LT Baldomero Lopez and USNS 1ST LT Harry L. Martin completed the at-sea offload of more than 350 pieces of equipment belonging to the 3rd Marine Expeditionary Force in Thailand in early May to support Exercise Cobra Gold. More than 20 Navy Reservists assigned to MSC deployed to Thailand to train in both real-world and computer-simulated sealift operations during the exercise.

In June, MPS USNS GYSGT Fred W. Stockham, fleet replenishment oiler USNS Tippecanoe and combat stores ship USNS Niagara Falls assisted in relief efforts after Typhoon Fengshen hit the Philippines.

SUBORDINATE COMMANDS



Above: MSC hospital ship USNS Mercy is anchored off the coast of Timor Leste during Pacific Partnership 2008, a four-month deployment to assist the governments of participating nations with medical, dental and construction civic-assistance programs. Photo By MC2 Joseph Seavey.

Right: A rigid-hull, inflatable boat from Maritime Prepositioning Ship USNS GYSGT Fred W. Stockham helps search for survivors of the capsized commercial passenger ferry MV Princess of the Stars June 25. The ferry capsized during Typhoon Fengshen in the Philippines.

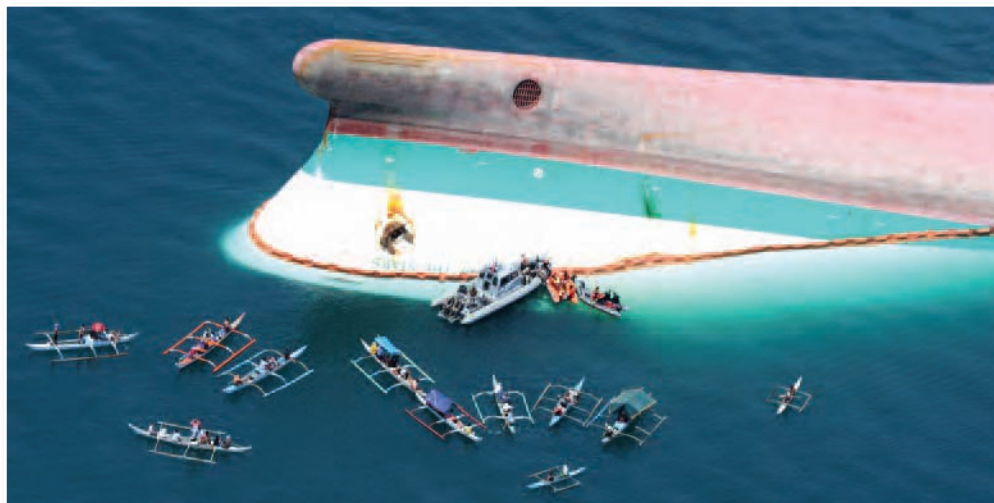
Twenty MSC military and civil service personnel from SEALOGFE and MSC offices in Korea, Okinawa and Diego Garcia, as well as ship support units in Japan, Guam and Singapore, teamed up to support Exercise Ulchi Freedom Guardian in mid-August. The annual Korean peninsula defense exercise tested the command's ability to deploy personnel to seaports throughout Korea.

MPS MV CPL Louis J. Hauge Jr., MV PVT Franklin J. Phillips and USNS 1ST LT Baldomero Lopez, and rescue and salvage ship USNS Safeguard all played the role of suspicious merchant vessels during Exercise Southeast Asia Cooperation Against Terrorism, which was held in late August in the Strait of Malacca and South China Sea.

In early September, hospital ship USNS Mercy completed a humanitarian mission to the Philippines, Vietnam, Timor Leste, Papua New Guinea and the Federated States of Micronesia. During the mission, medical teams from Mercy treated more than 90,000 patients, including more than 14,000 dental patients and more than 1,300 surgery patients. Mercy's medical treatment facility included personnel from public health/preventive medicine; U.S. Navy, U.S. Army and U.S. Air Force medicine; and the U.S. Public Health Service. Non-governmental organizations also embarked to provide medical support throughout the mission.

Mercy's 67 CIVMARs ensured adequate power and water for the on-board medical treatment facility, as well as deck, navigation, engineering, laundry and galley services. In addition, mariners operated two 33-foot utility boats to ferry patients and mission personnel between

ship and shore. The CIVMARs also joined U.S. Navy Seabees to make improvements to a local school and health clinic in Vietnam as well as a hospital in Papua New Guinea.



MSC Programs

MSC has four ship management programs. Program management brings together managers, technicians and specialists in a variety of fields to support each program.

*Naval Fleet Auxiliary Force
Special Mission
Prepositioning
Sealift*



Aircraft carrier USS Kitty Hawk receives fuel from MSC fleet replenishment oiler USNS Guadalupe while steaming through the central Pacific Ocean. The ships took part in the Rim of the Pacific exercise off Hawaii in July with units from Australia, Chile, Japan, the Netherlands, Peru, South Korea, Singapore and the United Kingdom. Photo by MCSN Anthony R. Martinez.

NAVAL FLEET AUXILIARY FORCE

Naval Fleet Auxiliary Force Ships - 40

(as of Sept. 30, 2008)

Fleet Replenishment Oilers - 14

USNS Big Horn (T-AO 198)
USNS Walter S. Diehl (T-AO 193)
USNS John Ericsson (T-AO 194)
USNS Leroy Grumman (T-AO 195)
USNS Guadalupe (T-AO 200)
USNS Henry J. Kaiser (T-AO 187)
USNS Kanawha (T-AO 196)
USNS Laramie (T-AO 203)
USNS John Lenthall (T-AO 189)
USNS Patuxent (T-AO 201)
USNS Pecos (T-AO 197)
USNS Rappahannock (T-AO 204)
USNS Tippecanoe (T-AO 199)
USNS Yukon (T-AO 202)

Dry Cargo/Ammunition Ship - 5

USNS Richard E. Byrd (T-AKE 4)
USNS Lewis and Clark (T-AKE 1)
USNS Robert E. Peary (T-AKE 5)*
USNS Sacagawea (T-AKE 2)
USNS Alan Shepard (T-AKE 3)

Ammunition Ships - 4

USNS Flint (T-AE 32)
USNS Kiska (T-AE 35)
USNS Mount Baker (T-AE 34)**
USNS Shasta (T-AE 33)

Fast Combat Support Ships - 4

USNS Arctic (T-AOE 8)
USNS Bridge (T-AOE 10)
USNS Rainier (T-AOE 7)
USNS Supply (T-AOE 6)

Fleet Ocean Tugs - 4

USNS Apache (T-ATF 172)
USNS Catawba (T-ATF 168)
USNS Navajo (T-ATF 169)
USNS Sioux (T-ATF 171)

Rescue and Salvage Ships - 4

USNS Grapple (T-ARS 53)
USNS Grasp (T-ARS 51)
USNS Safeguard (T-ARS 50)
USNS Salvor (T-ARS 52)

Combat Stores Ships - 3

USNS Concord (T-AFS 5)
USNS San Jose (T-AFS 7)
USNS Saturn (T-AFS 10)

Hospital Ships - 2

USNS Comfort (T-AH 20)***
USNS Mercy (T-AH 19)***

*Not Yet Operational

**Reduced Operating Status (ready to get underway in 30 days)

***Reduced Operating Status (ready to get underway in 5 days)

In FY 2008, NFAF ships were available for tasking an average of 281 days for underway replenishment to Navy combatants. All NFAF ships are government-owned, and are operated by CIVMARs. During the year, NFAF ships pumped approximately 550 million gallons of ship propulsion and aviation fuels and delivered almost 1.3 million square feet of cargo, ammunition and stores for U.S. Navy and coalition surface combatants in support of Operation Enduring Freedom, Operation Iraqi Freedom and other fleet missions. NFAF ships also provided vital life-sustaining supplies and medical treatment for humanitarian assistance and disaster-relief operations abroad and at home.

Fleet Replenishment Oilers

Fourteen fleet replenishment oilers supported fleet operations in FY 2008. Six Atlantic Ocean-based ships conducted successful deployments to the Mediterranean Sea and Persian Gulf, and eight Pacific Ocean-based ships continued to sustain Navy surface units throughout 3rd, 5th and 7th fleets. The ships that rotated through the 5th Fleet operating area provided fuel and supplies to U.S. and coalition ships in support of Operation Iraqi Freedom. USNS Guadalupe and USNS Yukon participated in Rim of the Pacific, the world's largest biennial maritime exercise, conducted in the waters off the coast of Hawaii. The exercise demonstrated the Navy's commitment to working with its global partners to protect maritime freedom and to ensure stability throughout the Pacific Rim.



MSC fleet replenishment oiler USNS Yukon and aircraft carrier USS Ronald Reagan conduct a replenishment at sea in the Pacific Ocean. Photo by MC2 Christopher Blachly.

NAVAL FLEET AUXILIARY FORCE



A sailor on dock landing ship USS Harpers Ferry shoots a brightly colored messenger line to MSC combat stores ship USNS San Jose in preparation for a refueling at sea in the Pacific Ocean. Photo by MC2 Joshua Wahl.

Dry Cargo/Ammunition Ships

At the end of FY 2008, MSC operated four dry cargo/ammunition ships, or T-AKEs. USNS Lewis and Clark began its second deployment in September, and USNS Sacagawea completed its maiden deployment to 5th Fleet. Commercial helicopters were embarked on both ships to provide vertical replenishment services. USNS Alan Shepard operated as an ammunition ship on the U.S. West Coast and in the Pacific theater. USNS Richard E. Byrd was delivered to MSC in November 2007 and deployed to Guam as forward-based support for 5th and 7th fleets.

A fifth ship, USNS Robert E. Peary, was delivered to MSC in June and began undergoing post-delivery tests and trials.

Post-launch construction continued on two other T-AKEs: USNS Amelia Earhart, the sixth ship in the series, and USNS Carl Brashear, which was launched in September 2008. The T-AKE class is replacing MSC's aging combat stores ships and ammunition ships.

Ammunition Ships

Four ammunition ships were active in FY 2008 and efficiently provided ammunition and other cargo to Navy combatants at sea. A fifth ship, USNS Kilauea, was in reduced operating status at the beginning of the fiscal year and was deactivated in September 2008.

USNS Mount Baker was operational at

the beginning of the fiscal year, but was placed in reduced operating status in July 2008 and remained there through September.

Fast Combat Support Ships

Four fast combat support ships operated in FY 2008. USNS Arctic and USNS Supply deployed to the Mediterranean Sea and the Persian Gulf, while USNS Bridge and USNS Rainier worked in the Southern California operating area prior to deploying to the 7th and 5th fleets.

NAVAL FLEET AUXILIARY FORCE



Rough seas pound the hull of MSC fast combat support ship USNS Arctic as it sails alongside aircraft carrier USS Harry S. Truman while preparing for a replenishment at sea in the Atlantic Ocean. Photo by MC3 Joshua Moore.

Fleet Ocean Tugs

Fleet ocean tug USNS Catawba continued salvage and mine-recovery operations in the Persian Gulf. USNS Apache participated in NATO exercise Bold Monarch off the coast of Norway in May and June 2008. USNS Navajo and USNS Sioux provided support to Pacific Fleet, towing ships for target exercises. Sioux towed the decommissioned submarine ex-Hyman G. Rickover from Panama to Bremerton, Wash., for disposal.

Rescue and Salvage Ships

All four rescue and salvage ships were operational during FY 2008. USNS Grasp completed a deployment to 6th Fleet, after which, it was used to recover the wreckage of two U.S. Air Force F-15 Eagle tactical aircraft from the Gulf of Mexico. USNS Grapple began the tow of the decommissioned nuclear submarine USS Hyman G. Rickover on the East Coast, then transferred the tow to fleet ocean tug USNS Sioux in Panama. USNS Safeguard cleared harbor obstructions in Saipan and recovered wreckage of a Navy EA-6B Prowler. USNS Salvor conducted tows for portions of Exercise Rim of the Pacific in the Northern Pacific Ocean.

Combat Stores Ships

In FY 2008, four combat stores ships actively replenished surface combatants at sea to support the Navy's global fleet operations. At the end of the year, USNS Niagara Falls was deactivated, part of a continuing trend as new dry cargo/ammunition ships continued to be delivered to MSC.

Hospital Ships

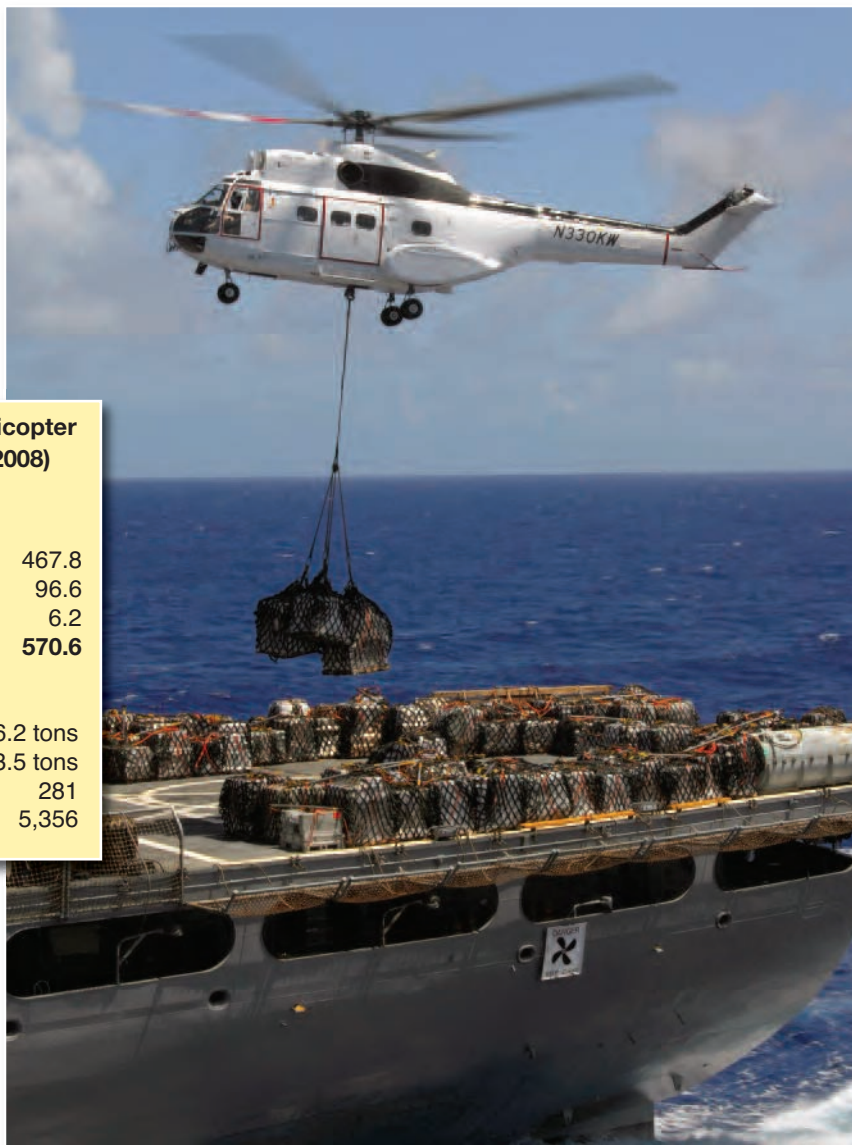
USNS Mercy deployed to the Western Pacific for Pacific Partnership '08, while USNS Comfort remained in reduced operating status in Baltimore. See Page 17 for more details about Mercy.

Commercial Helicopters

Three commercial helicopter detachments provided vertical replenishment services for Navy operations in the Mediterranean Sea, the Persian Gulf and the Western Pacific Ocean. A Norfolk-based commercial helicopter detachment alternated deployments aboard dry cargo/ammunition ships USNS Lewis and Clark and USNS Sacagawea. This detachment delivered dry cargo and fresh food to 2nd, 6th and 5th fleets. Two other commercial helicopter detachments deployed to Guam to provide vertical replenishment services to 5th and 7th fleet ships from MSC's forward-based combat stores and dry cargo/ammunition ships. One detachment embarked on combat stores ship USNS Concord. The other detachment initially embarked on combat stores ship USNS Niagara Falls, then transferred to dry cargo/ammunition ship USNS Richard E. Byrd.

MSC awarded a contract in July for a third Guam-based commercial helicopter detachment, which will begin operations in January 2009.

A commercial helicopter transports supplies from MSC combat stores ship USNS Niagara Falls to aircraft carrier USS Nimitz in the Pacific Ocean. Photo by MC3 Joseph Gocong.



Commercial Helicopter Operations (FY 2008)

Flight Hours

Mission:	467.8
Training:	96.6
Flight Check:	6.2
Total	570.6

Cargo

External:	11,316.2 tons
Internal:	23.5 tons
Passengers:	281
Number of Lifts:	5,356

SPECIAL MISSION

Special Mission Ships - 26

(as of Sept. 30, 2008)

Submarine and Special Warfare Support Ships - 7

MV C-Champion
MV C-Commando
MV Dolores Chouest
MV HOS Bluewater
MV HOS Gemstone
MV HOS Greystone
MV HOS Silverstar

Oceanographic Survey Ships - 7

USNS Bowditch (T-AGS 62)
USNS Bruce C. Heezen (T-AGS 64)
USNS Henson (T-AGS 63)
USNS John McDonnell (T-AGS 51)
USNS Pathfinder (T-AGS 60)
USNS Mary Sears (T-AGS 65)
USNS Sumner (T-AGS 61)

Ocean Surveillance Ships - 5

USNS Able (T-AGOS 20)
USNS Effective (T-AGOS 21)
USNS Impeccable (T-AGOS 23)
USNS Loyal (T-AGOS 22)
USNS Victorious (T-AGOS 19)

Missile Range Instrumentation Ships - 2

USNS Invincible (T-AGM 24)
USNS Observation Island (T-AGM 23)

Acoustic Survey Ship - 1

USNS Hayes (T-AG 195)

Navigation Test Support Ship - 1

USNS Waters (T-AGS 45)

Cable Laying/Repair Ship - 1

USNS Zeus (T-ARC 7)

Command Ship - 1

USS Mount Whitney (LCC 20)

Submarine Tender - 1

USS Emory S. Land (AS 39)*

*Not Yet Operational

T

he Special Mission Program operated a variety of seagoing platforms in FY 2008 to support U.S. government agencies, including U.S. Fleet Forces Command; the Oceanographer of the Navy; Commander, Undersea Surveillance; Naval Sea Systems Command; the Navy's Strategic Systems Program Office; Naval Special Warfare Command; Commander, Navy Installations Command; the Navy's Submarine Forces; the U.S. Air Force; and the Environmental Protection Agency. Civilian mariners employed by companies under contract to MSC operated the majority of these ships. Agency-provided technicians, including U.S. military and civilian personnel, performed the mission work and specialized shipboard tasks. Three special mission ships were crewed by federal civil service mariners. The program also provided contract management support for Navy Installations Command requirements for chartered harbor tugs and port operations.

Submarine and Special Warfare Support Ships

MSC began FY 2008 with nine chartered ships supporting the Navy's submarine and special warfare requirements. MV Kellie Chouest, MV Carolyn Chouest, MV HOS Greystone, MV HOS Bluewater, MV HOS Silverstar and MV HOS Gemstone provided deep submergence rescue and submarine escort support services for the Navy's submarine forces. MV Dolores Chouest, MV C-Commando and MV C-Champion supported Navy Special Warfare Command requirements. In September 2008, MV Carolyn Chouest and MV Kellie Chouest completed their chartered service to MSC and were redelivered to their owners.



MSC submarine support vessel MV Carolyn Chouest and fast attack submarine USS Alexandria are covered in snow at Naval Submarine Base New London. Photo by John Narewski.

SPECIAL MISSION



An engineer prepares a side-scan sonar for launch during an at-sea capabilities demonstration in the Black Sea aboard MSC oceanographic survey ship USNS Pathfinder. Photo by MC2 Jenniffer Rivera.

Oceanographic Survey Ships

MSC's seven oceanographic survey ships used precise multi-beam, wide-angle, hydrographic sonar systems to collect water depth measurements and other related data. The information was used to produce accurate charts and other products for Navy war fighters.

In addition to survey work, USNS Sumner, with its naval mobile instrumentation system, provided down-range missile tracking for the Navy's Strategic Systems Program Office.

USNS Pathfinder operated in the European area during 2008, supporting

Exercise Baltic Operations and visiting Estonia where the ship's crew demonstrated the ship's capabilities in an attempt to locate a Finnish airplane shot down during World War II. The ship also visited the Black Sea, locating the wrecks of a World War I Russian mine-laying ship and a World War II German submarine and making a port visit in Sevastopol, Ukraine.

In September 2008, USNS John McDonnell, working in conjunction with Philippine Navy hydrographers, located the wreckage of a downed Philippine air force troop transport plane that had crashed at sea.

Ocean Surveillance Ships

In the Western Pacific Ocean, five ocean surveillance ships — USNS Effective, USNS Loyal, USNS Impeccable, USNS Victorious and MV Cory Chouest — continued to provide direct support to 7th Fleet units by listening for undersea threats. In addition, Impeccable and Cory Chouest supported the fleet with low-frequency active systems and passive arrays.

A sixth ocean surveillance ship, USNS Able, completed reactivation and conversion to low-frequency, active-array system operations after transiting to the West Coast. Upon completing this work, the ship transited to the Far East operating area.

In June, Cory Chouest transited to the West Coast for mission systems removal, and then proceeded to Louisiana for redelivery to the owners. This completed the ship's almost 20 years of service to the Navy's undersea surveillance community.

SPECIAL MISSION



***Inset:** MSC oceanographic survey ship USNS Mary Sears' Chief Mate Andrew Swan gives a tour of the bridge to visiting Indonesian officers. The visit marks 30 years of bilateral cooperation in hydrographic surveying between the U.S. and Indonesian navies. Photos by Edward Baxter.*

Missile Range Instrumentation Ships

Missile range instrumentation ships USNS Observation Island in the Western Pacific Ocean and USNS Invincible in the Indian Ocean and Arabian Sea supported the U.S. Air Force as seaborne platforms for radar systems that collected data on theater ballistic missiles launched by various countries, as well as domes-

tic test flights of other missiles. Invincible completed a shipyard availability in Singapore, undergoing significant changes to the configuration of its mission suite.

Acoustic Survey Ship

USNS Hayes has operated as an acoustic survey ship for Naval Sea Systems Command and the Naval Surface Warfare Center in support of the U.S. Navy's submarine noise reduction program. The ship completed its final mission in September 2008 before beginning the deactivation process.

Navigation Test Support Ship

Navigation test support ship USNS Waters continued operations in both the Atlantic and Pacific Ocean, supporting weapons and navigation systems testing for the Navy's Strategic Systems Program Office.

SPECIAL MISSION



Sailors aboard submarine tender USS Emory S. Land man the rails as the ship departs Italy. The ship transferred to MSC in February and has a hybrid crew of sailors and civil service mariners. Photo by MC2 Jesus Uranga.

Cable Laying/Repair Ship

USNS Zeus continued as the Navy's only cable laying/repair ship. The ship started the year in a reduced operating status in Cheatham Annex, Va., transitioning to full operating status in February. After passing an inspection and survey and upon completing mission preparations, the ship transited to the Pacific Ocean for operations.

Command Ship

Command ship USS Mount Whitney continued to support 6th Fleet operations in 2008, participating in several NATO exercises and familiarization voyages to meet 6th Fleet's theater engagement efforts. The ship played a role in exercise Austere Challenge in the Mediterranean Sea in April and May, supported humanitarian assistance operations in the Black Sea near Georgia in August and concluded the year supporting exercise Noble Midas in the waters off Croatia in September.

In FY 2008, Mount Whitney was one of MSC's two commissioned ships with hybrid crews composed of Navy sailors and CIVMARs under the leadership of a Navy captain. The second ship was submarine tender USS Emory S. Land. The CIVMARs aboard both ships were responsible for navigation, deck, engineering, laundry and galley services, while the military crew members were in

charge of communications, mission requirements and weapons systems.

Submarine Tenders

MSC assumed responsibility for USS Emory S. Land in February. While the ship was not yet operational, a reduced crew was on board while the ship was at Puget Sound Naval Shipyard for an extensive drydock availability.

High-Speed Vessel

Chartered commercial vessel HSV 2 Swift conducted various missions for U.S. Fleet Forces Command to support the Navy's littoral combat ship program. The bareboat charter for the ship concluded in July, and the ship was redelivered to its owners in Louisiana.

Harbor Tug and Port Services

The Special Mission Program continued to manage the Navy's harbor tug and port services contracts worldwide. MSC administers contracts that provide on-call civilian harbor tugs in 13 ports and time-charter tugs in nine ports. Ten contracts provide resupply, crew launches and dockside utilities for the Navy in five ports.

PREPOSITIONING

Prepositioning Ships - 31

(as of Sept. 30, 2008)

Maritime Prepositioning Ships - 15

SQUADRON ONE

USNS 2ND LT John P. Bobo (T-AK 3008)
SS PFC Eugene A. Obregon (T-AK 3006)
USNS Sisler (T-AKR 311)
USNS LCPL Roy M. Wheat (T-AK 3016)
USNS PFC Dewayne T. Williams (T-AK 3009)

SQUADRON TWO

MV SGT William R. Button (T-AK 3012)
SS SGT Matej Kocak (T-AK 3005)
USNS 1ST LT Baldomero Lopez (T-AK 3010)
USNS GYSGT Fred W. Stockham (T-AK 3017)

SQUADRON THREE

MV PFC James Anderson Jr. (T-AK 3002)
MV 1ST LT Alex Bonnyman (T-AK 3003)
MV CPL Louis J. Hauge Jr. (T-AK 3000)
USNS 1ST LT Jack Lummus (T-AK 3011)
USNS 1ST LT Harry L. Martin (T-AK 3015)
SS MAJ Stephen W. Pless (T-AK 3007)

Army Prepositioned Stocks-3 Ship - 9

LMSRs

USNS Charlton (T-AKR 314)
USNS Dahl (T-AKR 312)
USNS Pomeroy (T-AKR 316)
USNS Red Cloud (T-AKR 313)
USNS Soderman (T-AKR 317)
USNS Watkins (T-AKR 315)
USNS Watson (T-AKR 310)

CONTAINER SHIPS

MV SSG Edward A. Carter Jr. (T-AK 4544)
MV LTC John U.D. Page (T-AK 4543)

Navy, Defense Logistics Agency and Air Force Ships - 7

U.S. NAVY (BREAK-BULK SHIP)

SS Cape Jacob (T-AK 5029)

DEFENSE LOGISTICS AGENCY (OPDS)

MV VADM K.R. Wheeler (T-AG 5001)

U.S. AIR FORCE (CONTAINER SHIPS)

MV CAPT Steven L. Bennett (T-AK 4296)
MV MAJ Bernard F. Fisher (T-AK 4396)

AVIATION LOGISTICS SUPPORT SHIPS

SS Curtiss (T-AVB 4)
SS Wright (T-AVB 3)

HIGH-SPEED VESSEL (CATAMARAN)

HSV Westpac Express (HSV 4676)

At the conclusion of FY 2008, MSC operated 31 prepositioning ships that strategically placed U.S. combat equipment and supplies afloat around the globe, ready for rapid delivery ashore when needed. Most of the ships were assigned to sites in the Mediterranean Sea, Eastern Atlantic Ocean, Indian Ocean and Western Pacific Ocean. Some prepositioning ships were also based at ports in the United States, pending completion of ship- or cargo-maintenance periods. Two aviation logistics support ships, several LMSRs and several MPS were maintained in reduced operating status on the U.S. East and West coasts for at least part of the year.

Prepositioning ships are divided into three basic support categories: MPS; Army Prepositioned Stocks-3; and Navy, Defense Logistics Agency and Air Force, or NDAF.

Maritime Prepositioning Ships

MPS forward-deployed U.S. Marine Corps combat and sustainment equipment and supplies for rapid employment across a full range of wartime and peacetime operations. During 2008, a restructuring plan was approved to add ships to the MPS program, purchase certain existing MPS and terminate other MPS charters. Over the next three years, the introduction of LMSRs, a container ship and a tanker to the MPS program will ensure continuity, reduce costs and make ships with increased military utility available to the program.



Marine equipment is driven off MSC Maritime Prepositioning Ship USNS 1ST LT Baldomero Lopez and onto a floating roll-on/roll-off discharge facility at sea for transport to shore in Thailand during Freedom Banner '08. Photo by MC2 Brian Caracci.

PREPOSITIONING

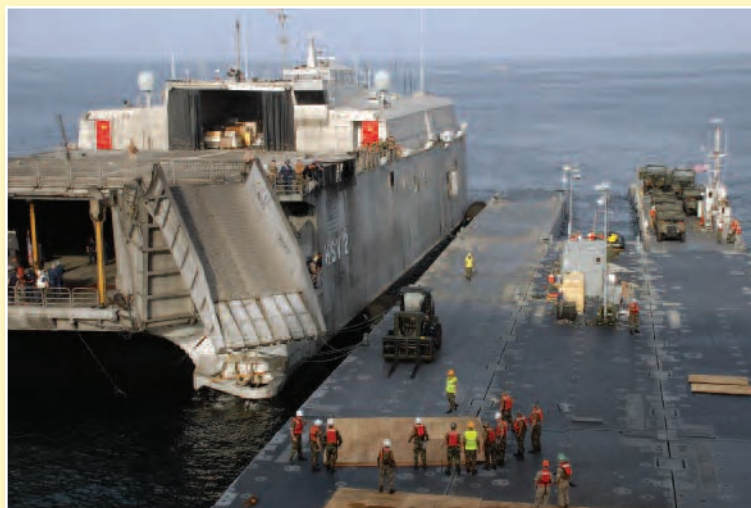
Ships from MPS Squadron One supported U.S. European Command in the Mediterranean Sea and Eastern Atlantic Ocean during FY 2008. In October 2007, USNS 2ND LT John P. Bobo and USNS LCPL Roy M. Wheat participated in Exercise Noble Midas. In March and April 2008, Bobo and Wheat were part of a sea-basing demonstration off the coast of Monrovia, Liberia. The demonstration was part of the European Command's Africa Partnership Station deployment, which focused on theater security cooperation. Operations by Bobo and Wheat showcased employment of the Improved Navy Lighterage System, or INLS, and its watercraft. The ships also demonstrated selective retrieval and delivery of cargo that will be vital to the Navy's future sea-basing capability.

In July 2008, SS PFC Eugene A. Obregon supported U.S. Central Command-sponsored exercise Native Fury 2008. Obregon was moored at the Royal Jordanian Naval Base in Aqaba, Jordan, for the month of July. The ship discharged its INLS cargo and used both shore logistics support and shipboard cranes to discharge more than 100 pieces of combat gear and 40 containers. The exercise helped develop close coordination and teamwork between the Royal Jordanian navy and U.S. Marine Corps forces. This was the first Central Command-sponsored exercise involving MPS since June 2003.

In September 2008, USNS Sisler, an LMSR newly assigned to MPS Squadron One, joined amphibious ship USS Bataan in a sea-basing demonstration in the area of Fort Story, Va. The demonstration highlighted the LMSR's ability to support sea-basing operations in an austere environment.

MPS Squadron Two remained at Diego Garcia in the Indian Ocean in FY 2008. USNS 1ST LT Baldomero Lopez served as both host platform and U.S. Marine Corps cargo provider for combined exercises Cobra Gold and Freedom Banner 2008, along with USNS 1ST LT Harry L. Martin from MPS Squadron Three, from April through May. More than 330 pieces of combat equipment were discharged from Lopez, moved ashore and used to train and sharpen the skills of the participating U.S. and Thai combat forces. A full range of MPS capabilities was demonstrated in-stream in the area of Chuk Samet, Thailand.

As seen from the stern of MSC Maritime Prepositioning Ship USNS 2ND LT John P. Bobo, during West Africa Training Cruise '08 and the Africa Partnership Station off the coast of Liberia, an Improved Navy Lighterage System allows military vehicles to be driven off Bobo's stern ramp. In turn, the vehicles are driven onto an INLS causeway section and then onto the stern ramp of MSC high-speed vessel Swift for rapid transport to shore even at undeveloped ports. Photos by MC2 Elizabeth Merriam.



PREPOSITIONING

By the end of FY 2008, the ships of MPS Squadron Two were assigned to various new ports in an effort to improve husbanding service to the ships assigned to Diego Garcia.

The six ships of MPS Squadron Three, stationed in the Guam/Saipan area, supported U.S. Pacific Command operations. Martin served as a training platform for allied navies during proliferation security initiative operations conducted near Japan in October 2007. Martin provided the participating forces a commercial maritime platform to hone their maritime interdiction skills and visit, board, search and seizure techniques.

In April and May 2008, Martin joined Lopez, serving as both a host platform and the provider of the critical in-stream operations using a roll-on/roll-off discharge facility to discharge exercise equipment from Lopez. Martin carried various Navy and Marine Corps critical mission items and provided the in-stream key component of the roll-on/roll-off discharge facility for use in logistics-over-the-shore operations.

Army Prepositioned Stocks-3 Ships

Eight Watson-class LMSRs and two container ships supported the Army Prepositioned Stocks-3 program in FY 2008 by forward-positioning combat equipment and ammunition for Army use. Throughout the global war on terrorism, each of these LMSRs has supported DOD requirements by providing both afloat-prepositioning capability and point-to-point transportation of DOD cargo. The ships have delivered millions of square feet of cargo to deployed U.S. forces.

One LMSR was stationed in the Western Pacific Ocean while six others were kept pier-side in reduced operating status, ready for activation and movement of surge-sealift cargo. The eighth ship, USNS Sisler, was transferred from the Army Prepositioned Stocks-3 program to the MPS program in April as part of the MPS restructuring plan, following completion of modifications to accommodate the new mission. In FY 2009, USNS Dahl, another LMSR, will also receive modifications and transfer from Army to Marine Corps service.

MSC continued its close partnership with Naval Sea Systems Command in a multi-year



PREPOSITIONING

research and development program to demonstrate new capabilities for the Maritime Prepositioning Force (Future) program. During FY 2008, LMSR USNS Soderman was used to test slow-speed maneuvering using a newly installed automated control system. The test evaluated vessel performance under various propulsion and control-system failure modes and demonstrated successful course-keeping operations of the enhanced heading control system.

Navy, Defense Logistics Agency and Air Force Ships

The final component of MSC's Prepositioning Program is made up of a diverse array of seven ships that support the Navy, Defense Logistics Agency, Air Force and Marine Corps.

MV VADM K.R. Wheeler, a new offshore petroleum distribution system, or OPDS, ship, began service in the Western Pacific Ocean in FY 2008. Leveraging commercial technology from the offshore oil production and transportation industry, Wheeler can pump fuel to beach facilities from up to eight miles offshore, providing fuel to U.S. Army and Marine Corps ground forces. The ship provides increased pumping capability and range across more demanding environmental conditions than existing OPDS vessels.

In February 2008, Wheeler participated in a test near Chinhae, Korea, to link the OPDS capabilities with the Marine Corps amphibious bulk-liquid transfer system in order to extend the reach of offshore petroleum delivery. Although of limited scope, the test proved that linkage was possible.

Break-bulk ship SS Cape Jacob, on long-term activation from the RRF, continued Navy and Marine Corps ammunition service supporting both U.S. Pacific Command and U.S. Central Command from the Guam/Saipan area.

Three container ships supported Air Force munitions requirements during the year: MV MAJ Bernard F. Fisher, MV CAPT Steven L. Bennett and MV AIC William H. Pitsenbarger. At the end of the year, Pitsenbarger was redelivered to its owners due to reduced Air Force requirements.

Two aviation logistics support ships, SS Wright and SS Curtiss, both on long-term activation from the RRF, supported Marine Corps rotary-wing aircraft repair. The ships remained in reduced operating status on the U.S. East and West coasts, respectively.

High-speed vessel Westpac Express, an MSC-chartered ship operated for the 3rd Marine Expeditionary Force, continued to move Marines and their gear between locations in the Far East in support of training requirements.

MSC-chartered MV VADM K.R. Wheeler, an offshore petroleum distribution ship, can pump fuel to beach facilities from up to eight miles offshore, providing fuel to ground forces.



Sealift Ships - 28

(as of Sept. 30, 2008)

Tankers - 5

USNS Paul Buck (T-AOT 1122)
USNS Samuel L. Cobb (T-AOT 1123)
USNS Lawrence H. Gianella (T-AOT 1125)
USNS Richard G. Matthiesen (T-AOT 1124)
MV Transpacific*

Dry Cargo Ships - 4

MV American Tern (T-AK 4729)*
MV Baffin Strait (T-AK 9519)*
T/B Megan Beyel/MOBRO 1210*
MV Virginian (T-AK 9205)*

Large, Medium-Speed, Roll-On/ Roll-Off Ships - 11

USNS Benavidez (T-AKR 306)
USNS Brittin (T-AKR 305)
USNS Fisher (T-AKR 301)
USNS Gilliland (T-AKR 298)
USNS Gordon (T-AKR 296)
USNS Bob Hope (T-AKR 300)
USNS Mendonca (T-AKR 303)
USNS Pililaau (T-AKR 304)
USNS Seay (T-AKR 302)
USNS Shughart (T-AKR 295)
USNS Yano (T-AKR 297)

Fast Sealift Ships - 8

USNS Algol (T-AKR 287)**
USNS Altair (T-AKR 291)**
USNS Antares (T-AKR 294)**
USNS Bellatrix (T-AKR 288)**
USNS Capella (T-AKR 293)**
USNS Denebola (T-AKR 289)**
USNS Pollux (T-AKR 290)**
USNS Regulus (T-AKR 292)**

*Long-term charter

**Transfer to RRF in October 2008

MSC-chartered dry cargo ship MV American Tern leaves McMurdo Sound, Antarctica, escorted by a Swedish icebreaker.

M

SC's Sealift Program delivers the combat and other military cargo needed by U.S. war fighters around the globe wherever and whenever needed. In FY 2008, the program supported Operation Iraqi Freedom, the global war on terrorism, military exercises and other day-to-day missions for the DOD worldwide.

The Sealift Program operated 28 government-owned and long-term charter, dry cargo ships and tankers, as well as additional short-term or voyage-chartered ships. Also, the program had access to 44 ships of the RRF, which are maintained in reduced operating status at ports in the United States and come under MSC operational control when they are activated. These government-owned ships offset the shortage of militarily useful cargo ships in the U.S. commercial sector. By policy, MSC must first look to the U.S.-flagged market to meet its sealift requirements. Government-owned ships are used only when suitable U.S.-flagged commercial ships are unavailable.

Tankers

In FY 2008, MSC tankers moved 1.8 billion gallons of fuel for the DOD. Four government-owned tankers, one long-term charter tanker and 46 short-term charter tankers made a total of 228 voyages, delivering fuel to U.S. forces at various locations around the world. The majority of the fuel was carried by four government-owned T-5 tankers and MV Transpacific, a small, 30,000-barrel-capacity U.S.-flagged chartered ship operating in the Japan/Korea area. Nearly 70 percent of all the voyages were made on U.S.-flagged ships that carried 61 percent of all DOD fuel moved.

MSC tankers also moved fuel to support annual operations in Thule Air Base, Greenland, and McMurdo Station, Antarctica. These missions were performed in extreme climates and provided the only fuel that those locations were able to receive during the year.



Dry Cargo Ships

During FY 2008, MSC operated a variety of dry cargo ships as they moved combat equipment and ammunition for U.S. force rotations in Operation Iraqi Freedom and the global war on terrorism. Twenty dry cargo ships, a mixture of chartered commercial ships and government-owned ships, delivered more than 5.6 million square feet of cargo for the war effort.

SEALIFT

In addition, MSC dry cargo ships supported exercises around the globe such as Cobra Gold in Thailand and the New Horizons series in Central America. See the exercise table in the appendix for more details.

MSC dry cargo ships supported the delivery of supplies and material to the National Science Foundation base at McMurdo, Antarctica, and Thule Air Base, Greenland. MSC has been supporting these missions for more than 50 years.



Mine-resistant, ambush-protected vehicles, or MRAPs, are lashed to the deck plate of MSC large, medium-speed, roll-on/roll-off ship USNS Pillaa in Kuwait. More than 200 MRAPs from Pillaa were on their way to Iraq and Afghanistan. Photo by MC2 Kelvin Surgener.

Large, Medium-Speed, Roll-On/Roll-Off Ships

Eleven surge sealift LMSRs delivered DOD cargo to U.S. forces during FY 2008. These surge LMSRs are normally maintained pier-side in a reduced operating status, able to sail within four days of receiving an activation order. The ships are berthed at strategic ports on the U.S. East, West and Gulf coasts. Surge LMSRs are especially suited for transporting heavy, armored or out-sized unit equipment such as tanks; mine-resistant, ambush-protected vehicles; up-armored Humvees; and helicopters.

During the year, nine activated surge LMSRs delivered almost 3.5 million square feet of cargo in 23 voyages to meet the U.S. military's worldwide cargo requirements primarily in support of Operation Iraqi Freedom. This was 73 percent of the total dry cargo carried by all MSC government-owned and chartered ships.

Fast Sealift Ships

Eight fast sealift ships, or FSS, were reserved for time-sensitive deployments. These steam-powered ships are capable of sailing from the U.S. East Coast to the Persian Gulf in 15 days. In FY 2008, USNS Algol moved nearly 100,000 square feet of Marine Corps cargo in a rapid Operation Iraqi Freedom lift, then brought return cargo back to the United States. Effective Oct. 1, 2008, all eight FSS will transfer to the RRF, losing their United States Naval Ship designation and their black, gray, blue and gold stack stripes.

SEALIFT



Ready Reserve Force - 44*

(as of Sept. 30, 2008)

RO/RO Ships	27
Crane Ships	6
Break-Bulk Ships	3
Ligherage-aboard-ships	2
Seabee Ships	2
OPDS Tankers	2
Aviation Logistics Support Ships	2

*Two aviation logistics support ships and a break-bulk ship are also counted in the Prepositioning Program.

Ready Reserve Force crane ship SS Gopher State loads shipping containers holding yellowcake uranium as part of a DOD transfer of hundreds of tons of the material out of Iraq.

Ready Reserve Force Ships

The RRF included 44 militarily useful ships, including roll-on/roll-off ships; crane ships; break-bulk ships; lighterage-aboard ships, or LASH; Seabee ships; offshore petroleum discharge system, or OPDS, tankers; and aviation logistics support ships. The aviation logistics support ships and one break-bulk ship are assigned to the Prepositioning Program. All 27 of the roll-on/roll-off ships were maintained in five-day reduced operating status with 10-person crews aboard. The remainder of the RRF ships can take up to 10 days to fully activate. RRF ships are crewed by private companies under contract to the Maritime Administration but come under MSC's operational control when activated. The ships are berthed on the U.S. East, West and Gulf coasts near potential military load sites. In FY 2008, MV Cape Vincent, MV Cape Knox and SS Gopher State were activated and moved a total of 372,000 square feet of cargo in support of Operation Iraqi Freedom.



Amphibious transport dock ship USS Cleveland, left, and amphibious assault ship USS Tarawa, approach MSC fleet replenishment oiler USNS John Lenthall for an underway replenishment in the Middle East. Photo by LTJG Lauren Goldenberg.

APPENDIX

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Table Abbreviations

M/Ts	MEASUREMENT TONS (One M/T is a volume measurement equal to 40 cubic feet of dry cargo)
L/Ts	LONG TONS (one L/T is equal to 2,240 pounds; used to measure petroleum products)
SQ FT	SQUARE FEET of dry cargo
BBLS	BARRELS of petroleum product

APPENDIX: MSC OPERATIONS

Summary: MSC Operations

		OCTOBER - SEPTEMBER (\$millions) FY 2008		
		Revenue	Expense	Profit/(Loss)
NAVY				
Naval Fleet Auxiliary Force				
Combat Logistics Force	\$1,363.7	\$1,434.4	(\$70.7)	
Hospital Ships	\$55.1	\$54.2	\$0.9	
Harbor Tugs	\$0.0	(\$0.3)	\$0.3	
Sealift Enhancement	\$6.5	\$6.5	\$0.0	
Total	\$1,425.3	\$1,494.8	(\$69.5)	
Special Mission				
Special Mission Ships	\$288.2	\$328.1	(\$39.9)	
Ocean Surveillance Ships	\$63.2	\$76.9	(\$13.7)	
Chartered Ships	\$24.9	\$26.3	(\$1.4)	
Harbor Tugs	\$63.8	\$59.6	\$4.2	
Total	\$440.1	\$490.9	(\$50.8)	
Prepositioning				
Prepositioning Ships	\$547.1	\$557.2	(\$10.1)	
Total	\$547.1	\$557.2	(\$10.1)	
Other Reimbursable Funding	\$53.2	\$53.2	\$0.0	
Supplemental Funding*	\$66.4		\$66.4	
Total Navy	\$2,532.1	\$2,596.1	(\$64.0)	
TRANSCOM				
Prepositioning				
Prepositioning Ships	\$229.0	\$218.6	\$10.4	
Total	\$229.0	\$218.6	\$10.4	
Sealift				
Tankers	\$172.5	\$180.6	(\$8.1)	
Dry Cargo	\$135.0	\$136.5	(\$1.5)	
Surge Sealift	\$335.3	\$292.0	\$43.3	
Total	\$642.8	\$609.1	\$33.7	
Other Reimbursable Funding	(\$0.9)	(\$0.9)	\$0.0	
Total TRANSCOM	\$870.9	\$826.8	\$44.1	
Total MSC Business	\$3,403.0	\$3,422.9	(\$19.9)	
Total MSC Budgeted Profit/(Loss) Target			(\$6.7)	
Total Profit/(Loss) Target Variance			(\$13.2)	

NOTE: In a working capital fund, profits one year are returned to the customer in subsequent years via reduced rates. Conversely, losses are recouped via increased customer rates in subsequent years. The goal is for the fund to break even over time. The targeted loss for FY 2008 was established at \$6.7 million. The FY 2008 \$13.2 million variance was within 4/10 of 1 percent of the budget, far better than government or industry standards.

*Supplemental Funding was a one-time reimbursement for drastically increased fuel costs.

APPENDIX: EXPENSES

Expenses by Type Government vs. Non-Government

OCTOBER - SEPTEMBER (\$millions) FY 2008				
	Total Expenses	Gov	Non-Gov	Percent Non-Gov
NAVY				
Personnel				
Compensation/Benefits	\$609.6	\$116.0	\$493.6	81.1%
Travel/Transportation of Goods	\$32.7	\$7.2	\$25.5	78.1%
Rent, Communications and Utilities	\$26.8	\$24.2	\$2.6	9.8%
Printing/Reproduction	\$0.6	\$0.6	\$0.0	0.0%
Other Contractual Services	\$1,801.4	\$165.7	\$1,635.7	90.8%
Supplies/Material	\$54.9	\$48.9	\$6.0	10.9%
Equipment	\$65.6	\$44.3	\$21.3	32.5%
Depreciation	\$4.5	\$0.0	\$4.5	99.4%
Total Navy Expenses	\$2,596.1	\$406.9	\$2,189.2	84.3%
TRANSCOM				
Personnel				
Compensation/Benefits	\$23.9	\$21.4	\$2.5	10.5%
Travel/Transportation of Goods	\$2.6	\$1.5	\$1.1	42.3%
Rent, Communications and Utilities	\$11.3	\$4.7	\$6.6	58.4%
Printing/Reproduction	\$0.2	\$0.2	\$0.0	0.0%
Other Contractual Services	\$556.8	\$116.5	\$440.3	79.1%
Supplies/Material	\$218.4	\$190.0	\$28.4	13.0%
Equipment	\$5.9	\$0.2	\$5.7	96.6%
Depreciation	\$7.7	\$4.1	\$3.6	46.8%
Total TRANSCOM Expenses	\$826.8	\$338.6	\$488.2	59.0%
Total MSC Expenses	\$3,422.9	\$745.5	\$2,677.4	78.2%

APPENDIX: OPERATIONS & NFAF CARGO

Naval Fleet Auxiliary Force

Dry cargo and petroleum products transferred during underway replenishment

	OCTOBER - SEPTEMBER		OCTOBER - SEPTEMBER	
	FY 2007	FY 2007	FY 2008	FY 2008
	Pallets	SQ FT	Pallets	SQ FT
Dry Cargo	66,865	891,533	99,989	1,299,857

	OCTOBER - SEPTEMBER		OCTOBER - SEPTEMBER	
	FY 2007	FY 2007	FY 2008	FY 2008
	BBLs	Gallons	BBLs	Gallons
Petroleum	13,854,748	581,899,405	13,075,748	549,181,418

Sealift Dry Cargo: 1904 Cargo Preference Act U.S. Flag vs. Foreign Flag

	OCTOBER - SEPTEMBER		OCTOBER - SEPTEMBER	
	FY 2007	FY 2007	FY 2008	FY 2008
	M/T	SQ FT	M/T	SQ FT
U.S. Flag				
Commercial	318,156	1,603,334	345,555	1,079,936
Ready Reserve Force	242,510	1,519,397	98,044	471,833
Surge	204,697	1,417,828	849,615	3,886,274
Prepositioning (common-user pool)	298,178	1,383,990	39,828	166,463
Total U.S. Flag	1,063,541	5,924,549	1,333,042	5,604,506
Total Foreign Flag	3,644	168,848	13,595	64,537
Total Sealift Cargo	1,067,185	6,093,397	1,346,637	5,669,043

APPENDIX: SEALIFT DRY CARGO

Sealift Dry Cargo

Ship Type

	OCTOBER - SEPTEMBER		OCTOBER - SEPTEMBER	
	FY 2007	FY 2007	FY 2008	FY 2008
	M/T	SQ FT	M/T	SQ FT
Controlled Sealift				
Government-Owned	502,875	2,801,818	889,443	4,052,737
Commercial Charter	321,800	1,772,182	359,150	1,144,473
Ready Reserve Force	242,510	1,519,397	98,044	471,833
Total Sealift Cargo	1,067,185	6,093,397	1,346,637	5,669,043

Sealift Dry Cargo

Deployment / Redeployment

	OCTOBER - SEPTEMBER		OCTOBER - SEPTEMBER	
	FY 2007	FY 2007	FY 2008	FY 2008
	M/T	SQ FT	M/T	SQ FT
Deployment				
U.S. Flag Commercial	232,786	1,024,382	222,242	733,567
Ready Reserve Force	131,383	759,241	44,887	228,162
Surge	90,883	656,199	509,814	2,204,718
Prepositioning (common-user pool)	159,409	704,166	39,828	166,463
Foreign Flag	2,553	128,195	2,375	8,920
Total Deployment	617,014	3,272,183	819,146	3,341,830
Redeployment				
U.S. Flag Commercial	85,370	578,952	123,313	346,369
Ready Reserve Force	111,127	760,156	53,157	243,671
Surge	113,814	761,629	339,801	1,681,556
Prepositioning (common-user pool)	138,769	679,824	0	0
Foreign Flag	1,091	40,653	11,220	55,617
Total Redeployment	450,171	2,821,214	527,491	2,327,213
Total Sealift Cargo	1,067,185	6,093,397	1,346,637	5,669,043

APPENDIX: SEALIFT DRY CARGO & PETROLEUM

Sealift Petroleum: Type Product

	OCTOBER - SEPTEMBER			
	FY 2007 L/T	FY 2007 BBLs	FY 2008 L/T	FY 2008 BBLs
Jet Fuel (JP8)	2,737,458	21,717,289	2,758,827	21,854,701
Mid-grade Gasoline (MUM)	5,112	44,602	9,880	86,208
Regular Gasoline (MUR)	19,937	131,144	22,525	147,053
Jet Fuel Oil #5 (JP5)	1,083,939	8,568,692	910,934	7,201,168
Thermo-Stable (JPTS)	8,847	71,000	3,818	30,997
Diesel Oil (DFM)	1,733,124	12,539,750	1,776,556	13,499,476
Total Petroleum Products	5,588,417	43,072,477	5,482,540	42,819,603

Sealift Petroleum: Workload Comparison FY 2007 vs. FY 2008

	OCTOBER - SEPTEMBER		
	FY 2007 L/T	FY 2008 L/T	Change L/T
Government-owned/Time Charter	2,723,862	2,419,669	(304,193)
Voyage Charter	2,864,555	3,062,871	198,316
Total Petroleum	5,588,417	5,482,540	(105,877)

Sealift Petroleum: 1904 Cargo Preference Act
U.S. Flag vs. Foreign Flag

	FY 2007 L/T	OCTOBER - SEPTEMBER FY 2007 BBLs	FY 2008 L/T	FY2008 BBLs
Government-owned	2,527,358	19,507,822	2,300,195	18,011,347
Time Charter	196,504	1,218,982	886,580	6,902,793
U.S. Flag Voyage Charter	800,296	6,232,968	121,548	945,209
Foreign Flag Voyage Charter	2,064,259	16,112,705	2,174,217	16,960,254
Total Petroleum	5,588,417	43,072,477	5,482,540	42,819,603

MSC Personnel: Afloat and Ashore

	As of September 30, 2008		
	FY 2007	FY 2008	Percent Change
Afloat			
Civil Service Mariners	4,989	5,230	4.8
Commercial Mariners	2,120	1,921	(9.4)
Military (active duty)	337	214	(36.5)
Military (Reserves)	365	567	55.3
Total Afloat	7,811	7,932	1.5
Ashore			
Civilian (direct/indirect)	997	1,061	6.4
Military (active duty)	161	156	(3.1)
Military (Reserves)	241	347	44.0
Total Ashore	1,399	1,564	11.8
Total Personnel	9,210	9,496	3.1

APPENDIX: OPERATING TEMPO

Naval Fleet Auxiliary Force: Operating Tempo

	FY 2007		FY 2008	
	No. of Ships	No. of Days at Sea	No. of Ships	No. of Days at Sea
Type of Ship				
Fleet Replenishment Oiler	14	2,405	14	2,709
Dry Cargo/Ammunition	1	95	5*	611
Ammunition	5	504	4	732
Fleet Ocean Tug	4	511	4	518
Fast Combat Support	4	654	4	826
Rescue and Salvage	4	107	4	491
Combat Stores	5	796	4**	762
Hospital	2	73	2	220
Totals	39	5,145	41	6,869

*USNS Robert E. Peary was delivered to MSC in June 2008, but was not operational.

**USNS Niagara Falls was deactivated Sept. 30, 2008, and removed from the MSC inventory.

Special Mission Ships: Operating Tempo

	FY 2007		FY 2008	
	No. of Ships	No. of Days at Sea	No. of Ships	No. of Days at Sea
Type				
Submarine & Special Warfare Support	8	918	9*	639
Oceanographic Survey	7	2,118	7	1,598
Ocean Surveillance	6	1,277	6**	1,364
Missile Range Instrumentation	2	504	2	387
Cable Laying/Repair	1	152	1	166
Navigation Test Support	1	190	1	199
Acoustic Survey	1	147	1	55
Command Ships	1	149	1	95
High-Speed Vessel	1	127	1	102
Totals	28	5,582	29	4,605

*MV Carolyn Chouest charter ended September 2008.

**MV Cory Chouest charter ended June 2008.

APPENDIX: MSC CONTROLLED FLEET

MSC Controlled Fleet: September 30, 2008

Government Owned - 141*
Privately Owned - 25
TOTAL - 166

Naval Fleet
Auxiliary
Force



40

- 14 Fleet Replenishment Oilers
- 5 Dry Cargo/Ammunition Ships
- 4 Ammunition Ships
- 4 Fast Combat Support Ships
- 4 Fleet Ocean Tugs
- 4 Rescue and Salvage Ships
- 3 Combat Stores Ships
- 2 Hospital Ships

Special
Mission



26

- 7 Submarine and Special Warfare Support Ships
- 7 Oceanographic Survey Ships
- 5 Ocean Surveillance Ships
- 2 Missile Range Instrumentation Ships
- 1 Acoustic Survey Ship
- 1 Navigation Test Support Ship
- 1 Cable Laying/Repair Ship
- 1 Command Ship
- 1 Submarine Tender

Prepositioning



31*

- 15 Maritime Prepositioning Ships
 - 8 Government-owned
 - 7 Privately owned
- 9 Army Prepositioned Stocks-3 Ships
 - 7 Government-owned
 - 2 Privately owned
- 7 Navy, Defense Logistics Agency, USAF Ships
 - 3 Government-owned*
 - 4 Privately owned

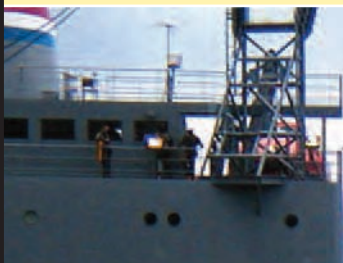
Sealift



28

- 5 Tankers
 - 4 Government-owned
 - 1 Privately owned
- 4 Dry Cargo Ships
- 11 Large, Medium-Speed, Roll-On/Roll-Off Ships
- 8 Fast Sealift Ships**

Ready
Reserve
Force



The U.S. Maritime Administration's Ready Reserve Force comes under MSC's operational control when activated and are counted in the Sealift Program.

- 27 Roll-On/Roll-Off Ships
- 6 Crane Ships
- 3 Break-bulk Ships
- 2 Lighterage-aboard-Ships
- 2 OPDS Tankers
- 2 Seabee Ships
- 2 Aviation Logistics Support Ships

44*

*Two aviation logistics support ships and a break-bulk ship are counted in both the Prepositioning Program and the Ready Reserve Force.
 **Transfer to the RRF Oct. 1, 2008.

0 10 20 30 40 50 60

APPENDIX: EXERCISES

Exercise	Host	MSC Participants	Location	Dates	Purpose
Africa Partnership Station	U.S. Department of State	USNS 2ND LT John P. Bobo, USNS LCPL Roy M. Wheat, HSV 2 Swift, USNS Patuxent, SEALOGEUR	Liberia/Gulf of Guinea	Mar 08	Promote maritime safety and security
Austere Challenge	U.S. European Command	USS Mount Whitney	Mediterranean Sea	May 08	Test U.S. European Command's joint task force capabilities
Baltic Operations 2008	U.S. European Command/ NATO	USNS Patuxent, SEALOGEUR	Baltic Sea	Jun 08	Exercise maritime security operations with NATO and Partnership for Peace allies
Beyond the Horizon - Honduras	U.S. Southern Command	MV Delta Mariner, MV Cape Knox, SEALOGLANT	Honduras	Mar-Jun 08	Exercise joint humanitarian assistance
Black Sea Partnership Cruise	U.S. 6th Fleet	USS Mount Whitney	Black Sea	Sep 08	Conduct maritime safety and security training with representatives of Azerbaijan, Bulgaria, Georgia, Romania and Ukraine
Bold Monarch	U.S. European Command/ NATO	USNS Apache	Norway	May-Jun 08	Test and exercise submarine rescue capabilities with multinational partners
Cobra Gold/Freedom Banner 2008	United Nations	USNS 1ST LT Baldomero Lopez, USNS 1ST LT Harry L. Martin, HSV Westpac Express, SS Great Land, SEALOGFE, Expeditionary Port Units 101, 112, 113, 117	Thailand	Apr-May 08	Promote regional stability in Southeast Asia and exercise Maritime Prepositioning Force load capabilities
Cooperation Afloat Readiness and Training	U.S. Navy/U.S. Coast Guard	USNS Safeguard, USNS Tippecanoe	Pacific Ocean	May-Aug 08	Test and exercise maritime visit, board, search and seizure operations; multinational cooperation; and interoperability
Dive Operations Training Exercise	U.S. 5th Fleet	USNS Catawba	Bahrain	Jun 08	Provide dive training for Mobile Diving and Salvage Unit Two
Joint At-Sea Capabilities Demonstration	U.S. 6th Fleet	USNS Pathfinder	Black Sea	Sep 08	Conduct U.S./Ukrainian oceanographic search/survey
Joint-Logistics-Over-The-Shore	U.S. Transportation Command	USNS Pililaau, SS Cape Mohican, SS Flickertail State, SS Chesapeake	Southern California	Jul 08	Exercise cargo distribution
Joint Warrior	U.S. European Command	USNS Big Horn	Spain	May 08	Exercise joint interoperability

APPENDIX: EXERCISES

Exercise	Host	MSC Participants	Location	Dates	Purpose
Key Resolve/Foal Eagle	U.S. Pacific Command	USNS 1ST LT Jack Lummus, MV VADM K. R. Wheeler, MSC Headquarters	Republic of Korea	Mar 08	Demonstrate new offshore petroleum distribution system and provide logistical support to deployed exercise forces
Navy Diver Global Fleet Station	U.S. Southern Command	USNS Grasp	Eastern Caribbean Sea	Jun-Oct 08	Strengthen U.S.-regional partnerships in the Southern Command area of responsibility
Native Fury	U.S. Central Command	SS PFC Eugene A. Obregon	Jordan	Jul 08	Reinforce Maritime Prepositioning Force operations
Neptune Warrior 2008	NATO	USNS Big Horn	North Sea	Apr-May 08	Provide logistics support for fleet and coalition operations
New Horizons — Peru	U.S. Southern Command	MV Cape Knox, SEALOGLANT	Peru	May 08	Exercise joint humanitarian assistance
Northern Edge 2008	U.S. Pacific Command	USNS Yukon	Gulf of Alaska	May 08	Test and exercise response to crises in the Asian-Pacific region
Phoenix Express 2008	U.S. European Command/ NATO	USNS Patuxent, SEALOGEUR	Western Mediterranean Sea	Apr 08	Test and exercise regional cooperation and maritime security capabilities
Rim of the Pacific	U.S. Pacific Command	USNS Navajo, USNS Sioux, USNS Salvor, USNS Guadalupe, USNS Yukon, USNS Sumner, USNS Able, SS Cape Gibson, SEALGPAC/CTF-33	North Pacific Ocean	Jun-Jul 08	Exercise and test interoperability over a wide range of combined and joint operations with Pacific Rim partners
Southeast Asia Cooperation Against Terrorism	U.S. Navy/U.S. Coast Guard	MV CPL Louis J. Hauge Jr., USNS 1ST LT Baldomero Lopez, MV PVT Franklin J. Phillips, USNS Safeguard	South China Sea, Straits of Malacca	Aug 08	Provide training to multinational partners in counterterrorism operations; and visit, board, search and seizure tactics
Ulchi Freedom Guardian	U.S. Pacific Command	SEALOGFE	Republic of Korea	Aug 08	Provide interoperability training for combined U.S./Korean forces
West African Training Cruise	U.S. European Command	USNS 2ND LT John P. Bobo, USNS LCPL Roy M. Wheat, SEALOGEUR	Liberia/Gulf of Guinea	Mar-Apr 08	Test sea-basing concept using MPS ships

APPENDIX: AWARDS

Awards

During FY 2008, many MSC employees were recognized for their outstanding service to the Navy, the DOD and the United States.

MSC Mariner Employee of the Year

USNS Kanawha Purser Rhenda Beal

MSC Mariner Awards of Excellence

USNS Bridge Chief Engineer Brian Muir
Supply Officer Johnson Fletcher
Medical Services Officer Francis Corder
Communications Officer Gary Glassman

USNS Comfort Chief Radio Electronics Technician Daniel Burlock
Carpenter Michael Nanartowich

USNS Henry J. Kaiser 1st Mate Matthew Bush
Chief Radio Electronics Technician Steven Skelton
Boatswain Stephen Bingham
Engine Utilityman Keith Randall

USNS Kanawha Deck Engineer Machinist Christopher Bounds
1st Mate William McDermott

USNS San Jose 2nd Assistant Engineer Kenneth Allen
Purser Rhenda Beal
Yeoman Storekeeper Colleen Espinosa

MSC Shipmate of the Year Awards

USNS Concord Able Seaman Armando Carbungco

USNS Henry J. Kaiser Chief Radio Electronics Technician Julie Parker
Boatswain's Mate Jerome Cruz
Deck Engineer Machinist Harold Schaum

USNS Lewis and Clark Boatswain Khalid Muhammed
Wiper Rolando Deasis

USNS Rainier Boatswain James Gibbs

MSC Captain David M. Cook Food Service Excellence Award

USNS Laramie Large ship, East Coast

USNS Yukon Large ship, West Coast

USNS Grasp Small ship

Department of the Navy Safety Excellence Award

USNS Lewis and Clark Master and crew

Department of the Navy Competition & Procurement Excellence Award

Guam general ship repair
(team competition) Deidre Fisher, MSFSC Director of Contracting
Kenneth Rye, MSFSC Counsel
Terry Wight, SSU San Diego Director of Contracting
Cdr. Bert Yordy, SSU Guam Commanding Officer
William Dugan, SSU Guam Engineering Director

APPENDIX: AWARDS

Vice Adm. Richard Nelson Award for Professional Excellence in Public Health

MSFSC

Capt. Garry Rudolph

U.S. Army Outstanding Anti-terrorism Innovation Award

SEALOGFE

Cdr. Ronald Oswald, MSCO Korea Commanding Officer

Capt. Arthur L. Johnson Award for Inspirational Leadership

USNS Grapple

1st Assistant Engineer William Riley

Assistant Secretary of the Navy for Financial Management and Comptroller Associate Award

Echelon II and above

Edmond Nguyen, MSFSC Navy Working Capital Fund Analyst

Able Seaman Oscar Chappell Award for Outstanding Maritime Stewardship

USNS Lewis and Clark

Boatswain Khalid Muhammad

United Seamen's Service Admiral of the Ocean Sea - Mariner's Plaque

USNS Stockham

Master and crew

United Seamen's Service Admiral of the Ocean Sea - Humanitarian Service Recognition

USNS Comfort

Master and crew

USNS Mercy

Master and crew

Massachusetts Maritime Academy Mariner of the Year

MSFSC

Jack Taylor, Director (Class of 1980)

GALLERY



Left: A sailor aboard aircraft carrier USS Abraham Lincoln signals to MSC fast combat support ship USNS Rainier as the ships conduct an underway replenishment in the Arabian Sea. Photo by MC2 James Evans.



Above: Military Sealift Fleet Support Command Director Jack Taylor, right, presents a Special Achievement Award to Jonathan Olmsted, recognizing his outstanding professionalism as master and first officer on MSC fleet ocean tug USNS Catawba from 2001 to 2007. Photo by Susan Melow.



Left: The engine room of MSC hospital ship USNS Comfort shines as the ship completes a four-month humanitarian deployment to Latin America and the Caribbean providing medical treatment to patients in a dozen countries. Photo by MC2 Steven King.



MSC hospital ship USNS Mercy at twilight in Timor Leste during Pacific Partnership 2008, a four-month deployment to the Western Pacific Ocean to provide the governments of participating nations with medical, dental and construction civic assistance programs. Photo by MC2 Mark Logico.

MSC delivers



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